



Kerr-McGee Oil & Gas OnShore LP
1999 Broadway, Suite 3700, Denver, Colorado 80202
303-296-3600 • Fax 303-296-3601

February 28, 2007

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

RE: State 1021-32I
T10S-R21E
Section 32: NESE
2208' FSL, 1231' FEL
Uintah County, Utah

Dear Ms. Mason:

Kerr-McGee Oil & Gas Onshore LP, formerly known as Westport Oil and Gas Company, L.P. has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to State Rule 649-3-2 (State Wide). The well location was moved for topographic reasons. Kerr-McGee owns 100% of the leasehold within 460 feet of the exception location of the offset lands and has no objection to the exception location.

Kerr-McGee requests your approval of this exception location. If you have any questions, call me at 720-264-2618. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Chris Latimer', written over a horizontal line.

W. Chris Latimer, CPL
Senior Landman

cc: Raleen White

RECEIVED
MAR 14 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML-21577	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.			9. WELL NAME and NUMBER: STATE 1021-32I	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2208'FSL, 1231'FEL 622270X 39.902750 AT PROPOSED PRODUCING ZONE: 4417733Y -109.569679			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 17.95 MILES SOUTH OF OURAY, UTAH			12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1231'	16. NUMBER OF ACRES IN LEASE: 640.00	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,050	20. BOND DESCRIPTION: RLB0005237		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5306'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:		

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	1,800	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	I-80	11.6#	9,050	1920 SX 50/50 POZ	1.31 YIELD	14.3 PPG

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) **SHEILA UPCHEGO**

TITLE **SENIOR LAND ADMIN SPECIALIST**

SIGNATURE 

DATE **3/13/2007**

(This space for State use only)

API NUMBER ASSIGNED: **43-047-39134**

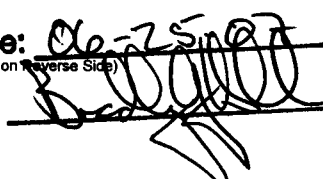
**Approved by the
Utah Division of
Oil, Gas and Mining**

APPROVAL:

RECEIVED

MAR 16 2007

DIV. OF OIL, GAS & MINING

Date: **06-25-07**
(See Instructions on Reverse Side)
By: 

1/2" Rebar 0.6' High,
Pile of Stones, Set
Stone

T10S, R21E, S.L.B.&M.

1977 Brass Cap,
0.8' High, Pile of
Stones

N89°55'18"E - 5356.30' (Meas.)

N00°28'43"E - 2665.95' (Meas.)

S00°23'08"W - 5317.83' (Meas.)

32

STATE #1021-321

Elev. Ungraded Ground = 5306'

1231'

2208'

1977 Brass Cap,
0.6' High, Pile of
Stones

N00°27'56"E - 2665.32' (Meas.)

1928 Brass Cap,
1.2' High, Pile of
Stones

Set Marked Stone,
Pile of Stones

Set Marked Stone,
Pile of Stones,
Old Lath

1977 Brass Cap,
Flush W/ Pile of
Stones

N89°56'02"W
1331.47' (Meas.)

N89°54'34"W
1348.33' (Meas.)

N89°56'55"W - 2668.36' (Meas.)

T10S
T11S

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°54'09.76" (39.902711)

LONGITUDE = 109°34'13.28" (109.570356)

(NAD 27)

LATITUDE = 39°54'09.88" (39.902744)

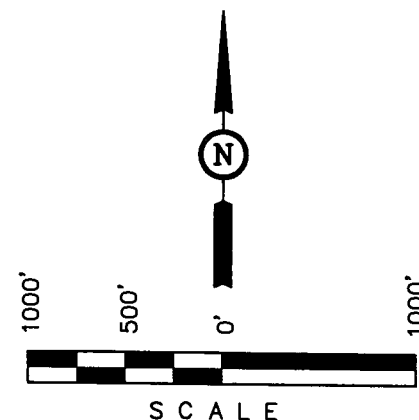
LONGITUDE = 109°34'10.81" (109.589669)

Kerr-McGee Oil & Gas Onshore LP

Well location, STATE #1021-321, located as shown in the NE 1/4 SE 1/4 of Section 32, T10S, R21E, S.L.B.&M., Uintah County, Utah.

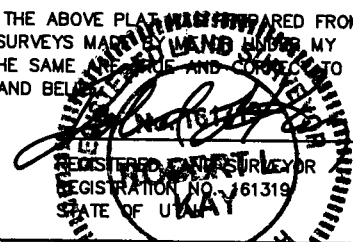
BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME AND UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UNTAM ENGINEERING & SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-7-06	DATE DRAWN: 12-20-06
PARTY D.K. L.K. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**STATE 1021-32I
NE/SE SEC. 32, T10S, R21E
UINTAH COUNTY, UTAH
ML-21577**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	911'
Top of Birds Nest Water	1156'
Mahogany	1682'
Wasatch	4071'
Mesaverde	6902'
MVU2	7908'
MVL1	8422'
TD	9050'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	911'
	Top of Birds Nest Water	1156'
	Mahogany	1682'
Gas	Wasatch	4071'
Gas	Mesaverde	6902'
Gas	MVU2	7908'
Gas	MVL1	8422'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9050' TD, approximately equals 5611 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3620 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE March 14, 2007
WELL NAME STATE 1021-32I TD 9,050' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,306' GL KB 5,321'
SURFACE LOCATION NE/SE SEC. 32, T10S, R21E 2208'FSL, 1231'FEL BHL Straight Hole
Latitude: 39.902711 Longitude: 109.570356
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), Tri-County Health Dept.

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,071'					
	Green River @	0,911'			
	Top of Birds Nest Water @	1156'			
	Mahogany @	1,682'			
	Preset f/ GL @	1,800' MD			
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
Mud logging program TBD Open hole logging program f/ TD - surf csg					
	Wasatch @	4,071'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.5 ppg
	Mverde @	6,902'			
	MVU2 @	7,908'			
	MVL1 @	8,422'			
					Max anticipated Mud required 11.5 ppg
		TD @ 9,050'			



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1800	32.30	H-40	STC	0.66*****	1.63	4.99
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9050	11.60	I-80	LTC	2.27	1.17	2.19

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
- MASP 3421 psi
- ***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,570'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	5,480'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1530	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

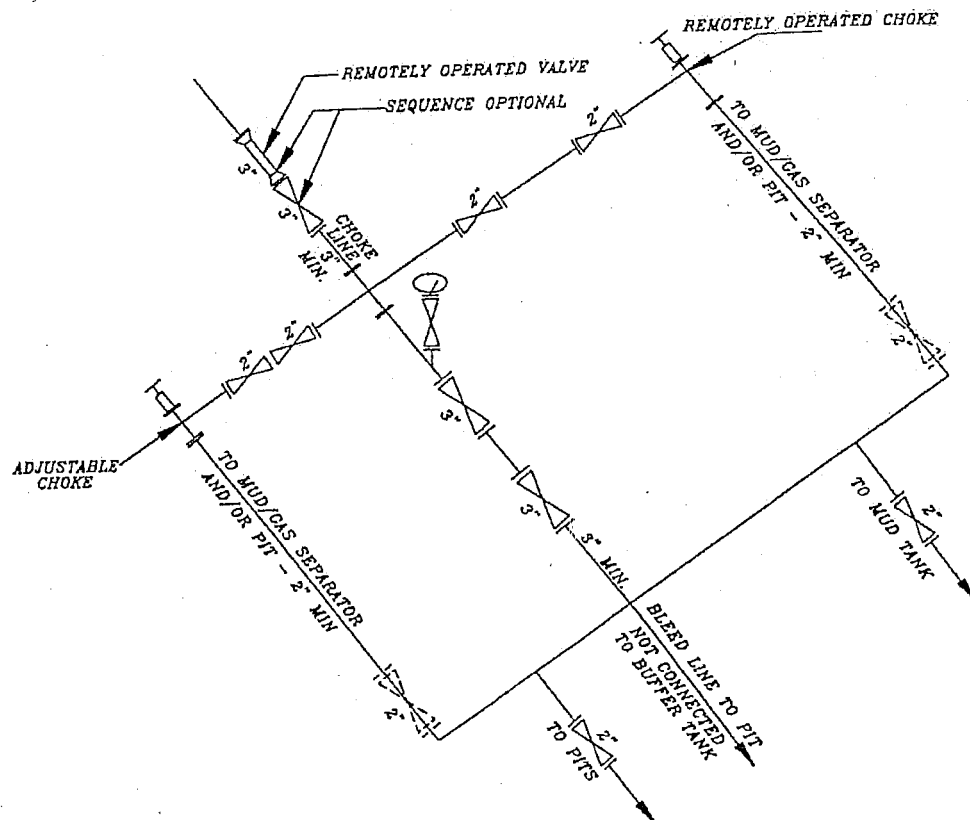
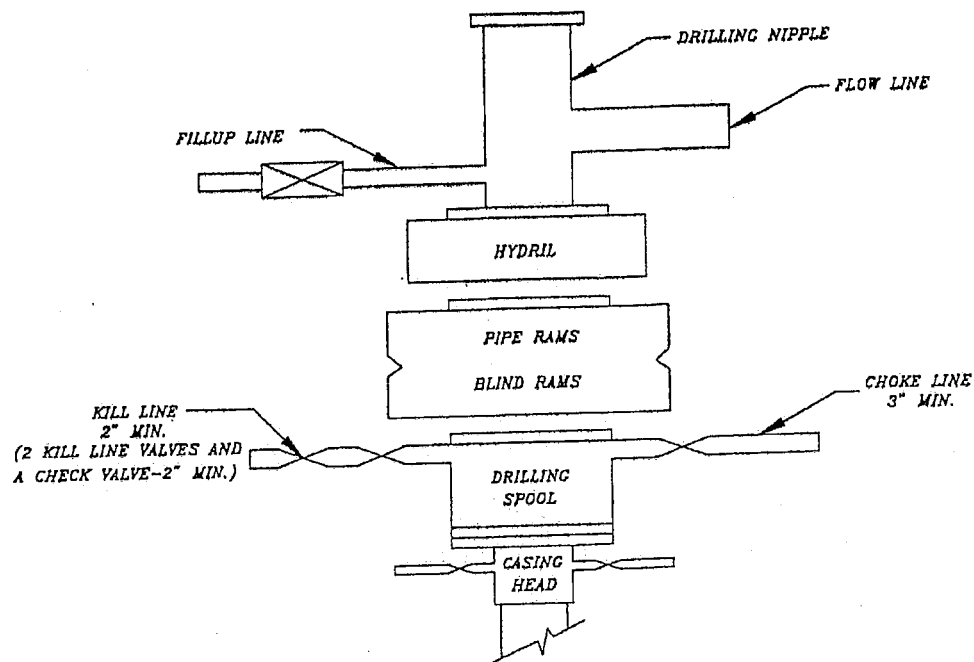
DATE:

DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**STATE 1021-32I
NE/SE SEC. 32, T10S, R21E
Uintah County, UT
ML-21577**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 0.1 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 503' +/- of 4" steel pipeline is proposed from the location to an tie-in point. Refer to Topo Map D.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance

between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego
Senior Land Admin Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

3/14/2007
Date

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

SECTION 32, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 15.6 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-32N TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED #1021-32N AND THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-32H TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.25 MILES.

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T10S, R21E, S.L.B.&M.

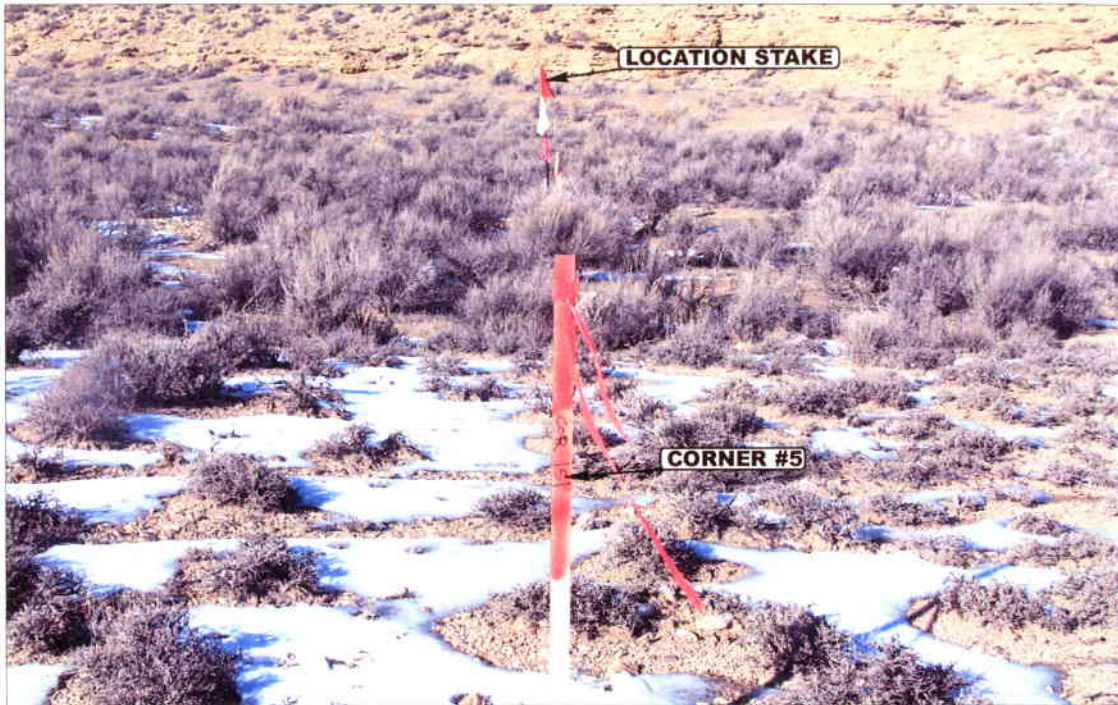


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

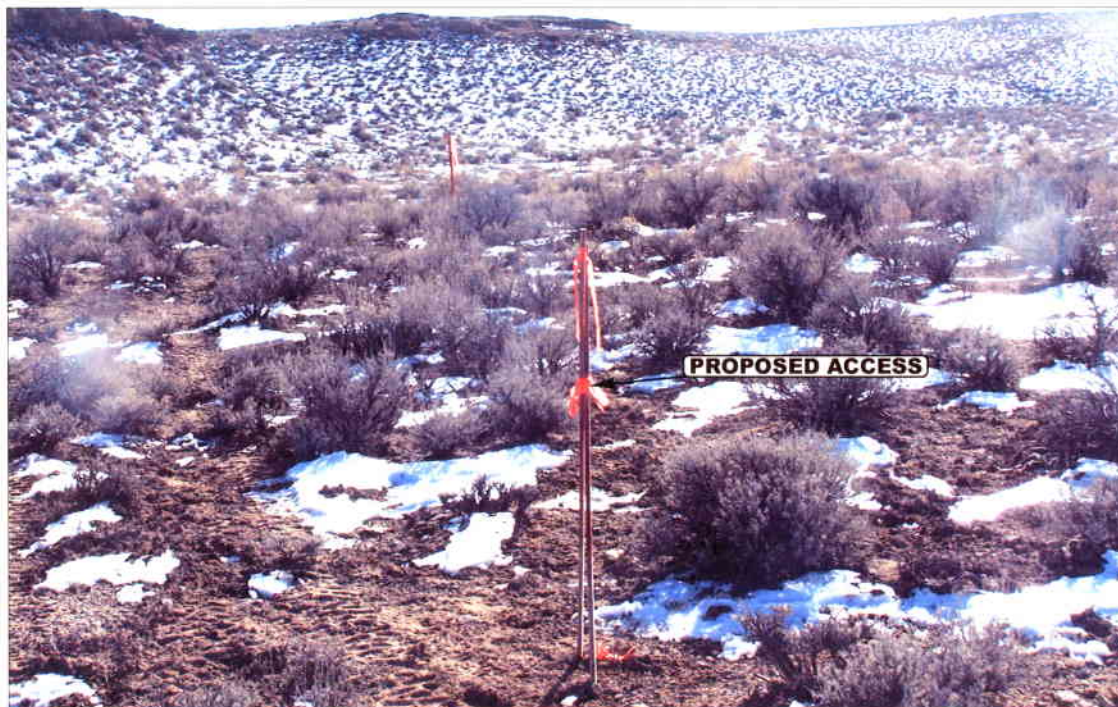


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

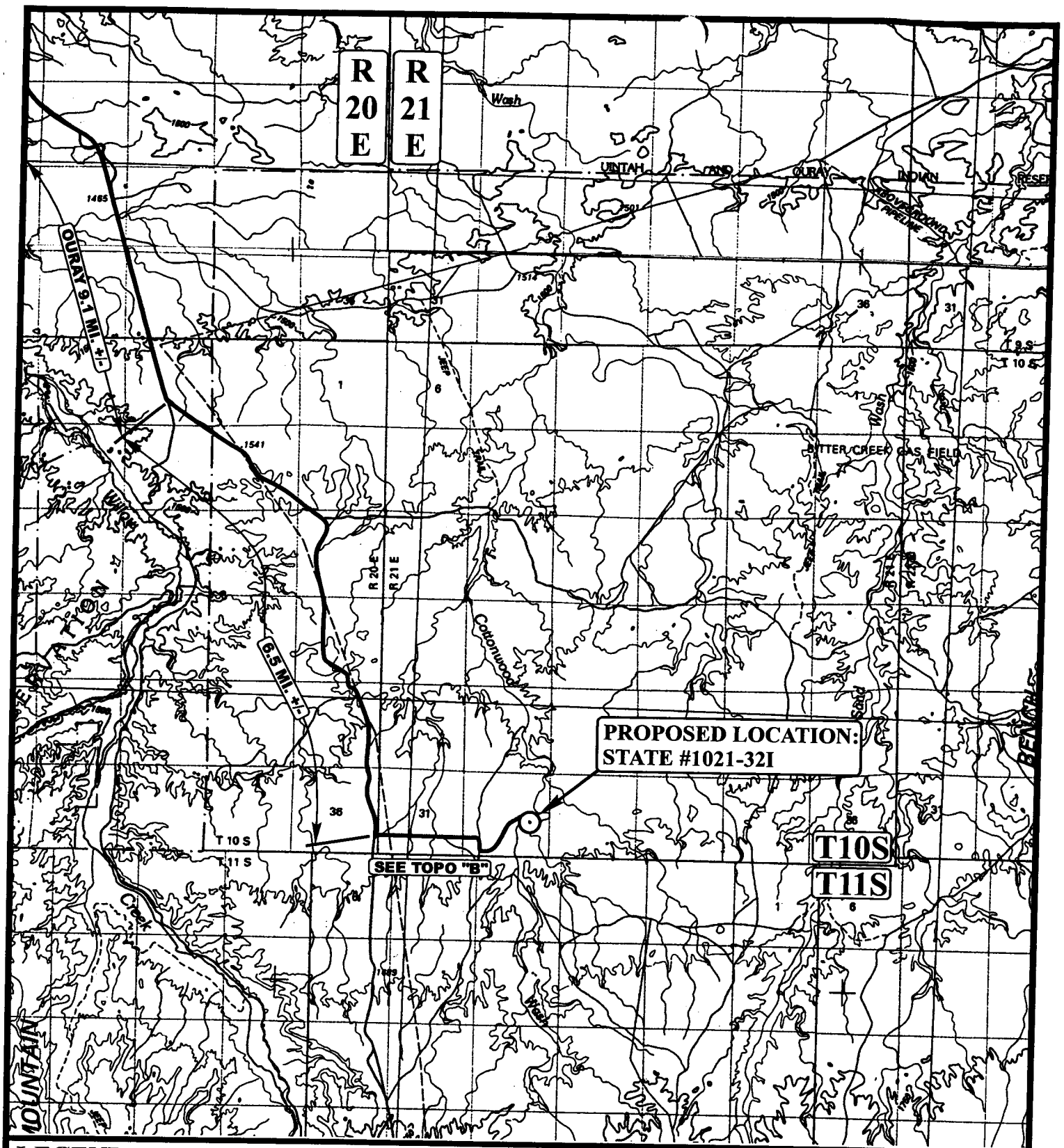
12 15 06
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

SECTION 32, T10S, R21E, S.L.B.&M.

2208' FSL 1231' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

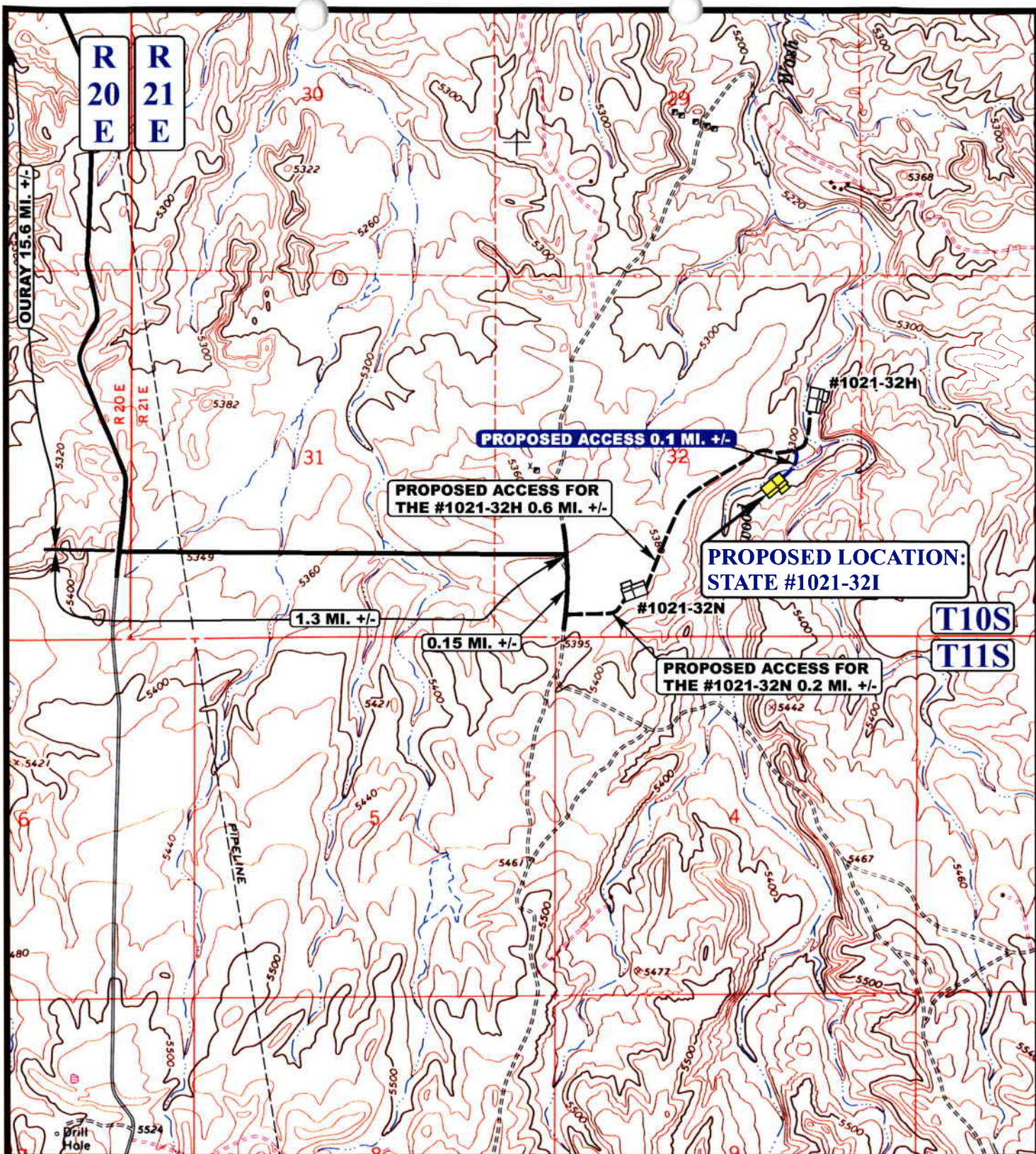
12 15 06
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

EXISTING ROAD
 PROPOSED ACCESS ROAD



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



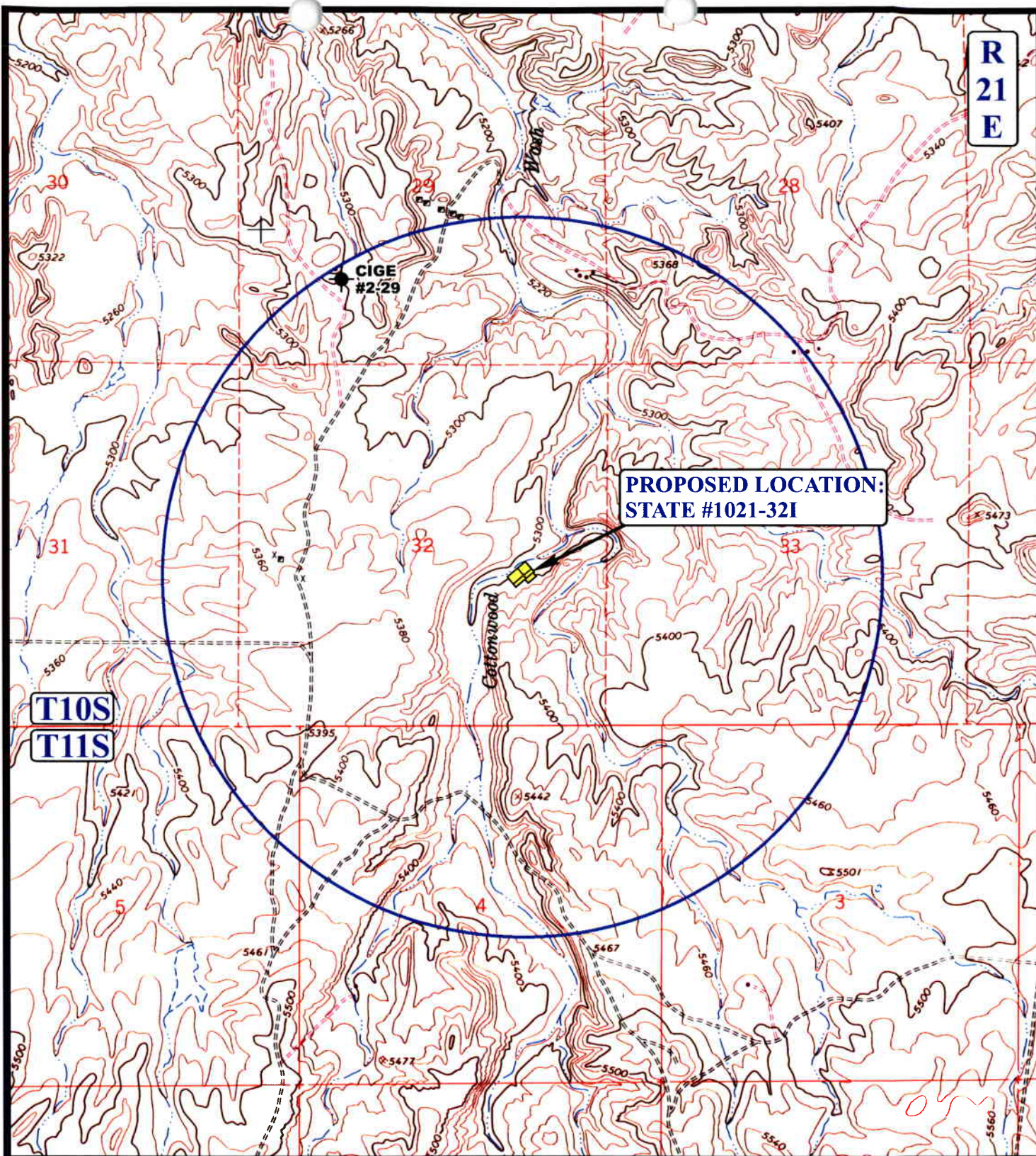
Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I
SECTION 32, T10S, R21E, S.L.B.&M.
2208' FSL 1231' FEL

TOPOGRAPHIC **12 15 06**
MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
 TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

SECTION 32, T10S, R21E, S.L.B.&M.

2208' FSL 1231' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

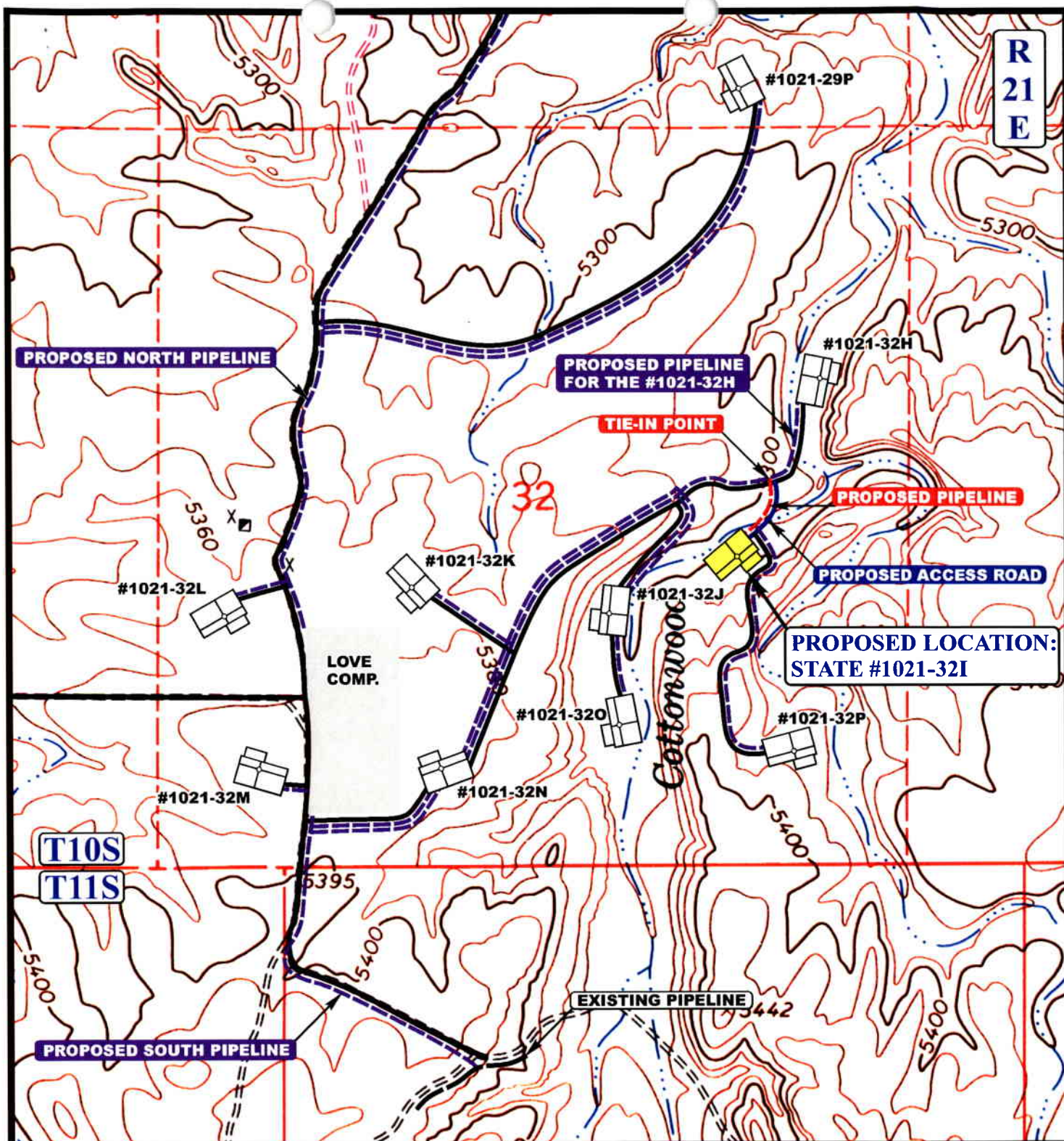
12 15 06
 MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00





APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 503' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

SECTION 32, T10S, R21E, S.L.B.&M.

2208' FSL 1231' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 15 06
 MONTH DAY YEAR

SCALE: 1" = 1000'

DRAWN BY: C.P.

REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T10S, R21E, S.L.B.&M.

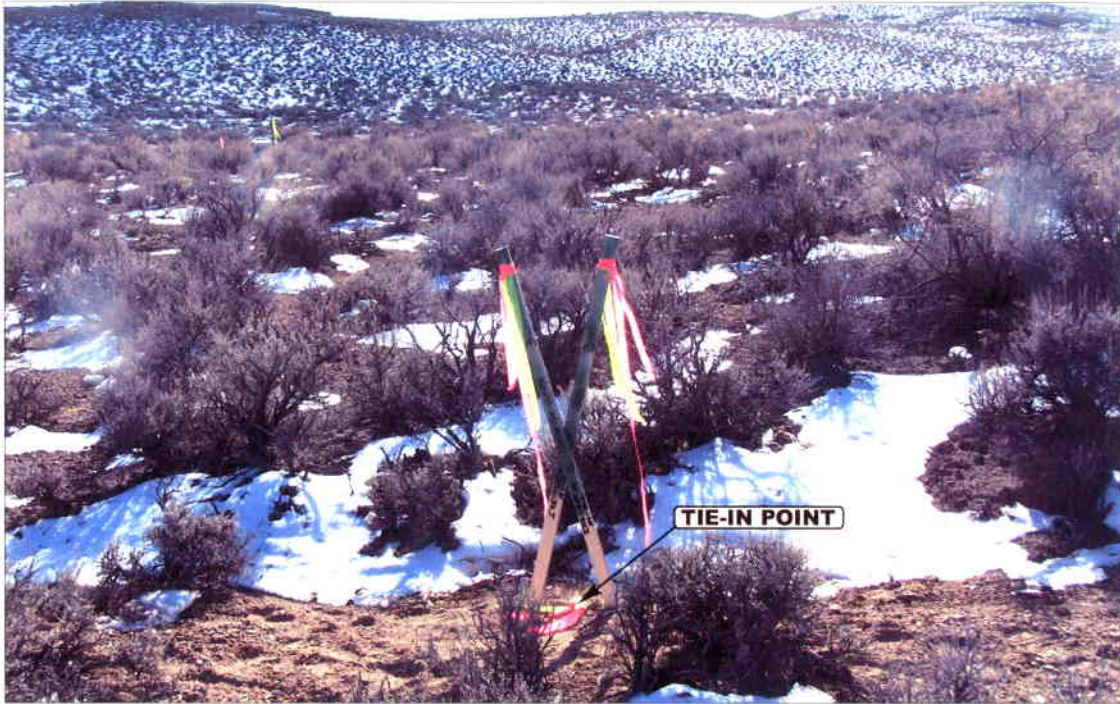


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

12 15 06
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

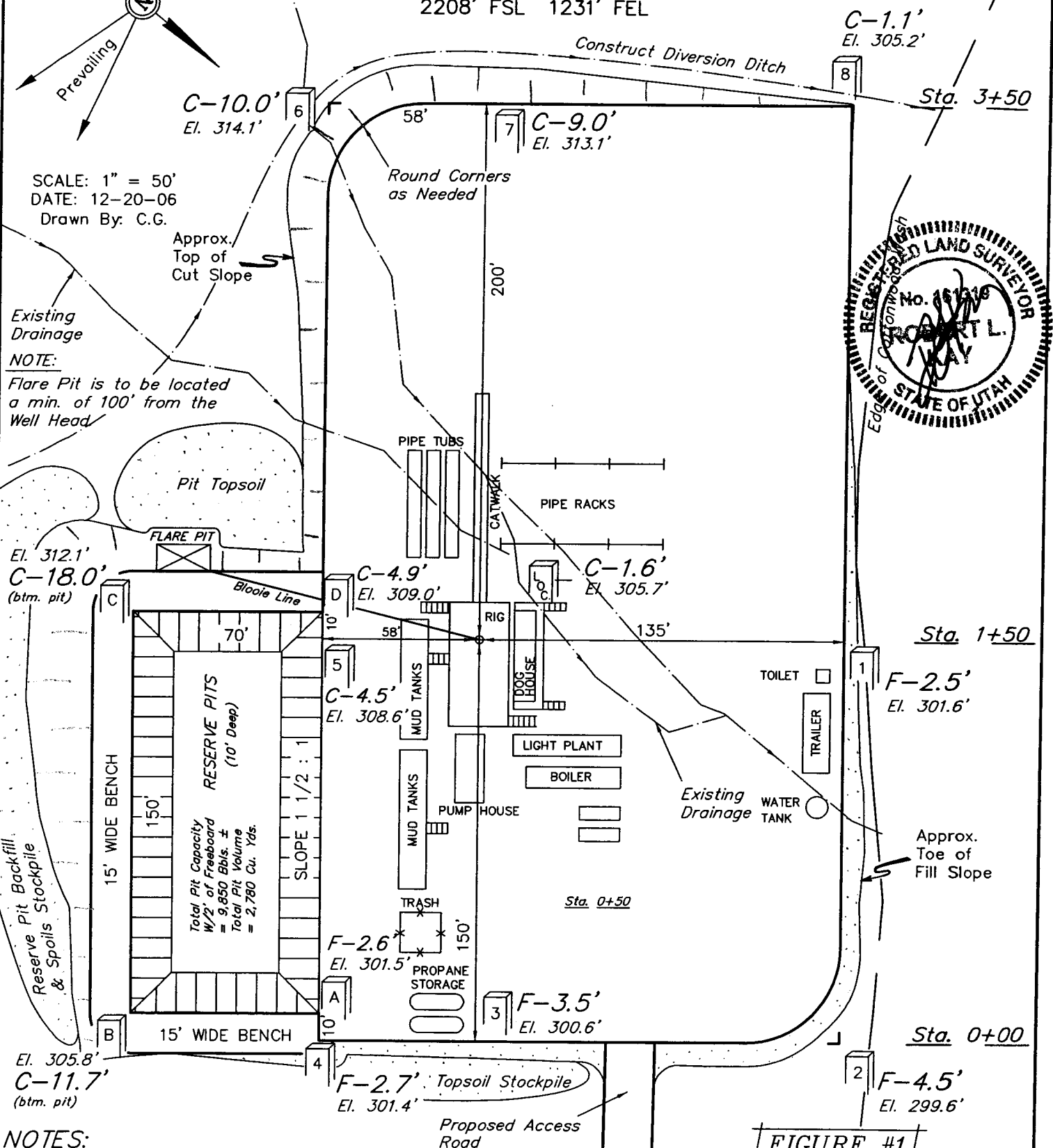
DRAWN BY: C.P.

REVISED: 00-00-00

Kir-McGee Oil & Gas Onsl. Re LP

LOCATION LAYOUT FOR

STATE #1021-321
SECTION 32, T10S, R21E, S.L.B.&M.
2208' FSL 1231' FEL



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5305.7'
FINISHED GRADE ELEV. AT LOC. STAKE = 5304.1'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

TYPICAL CROSS SECTIONS FOR

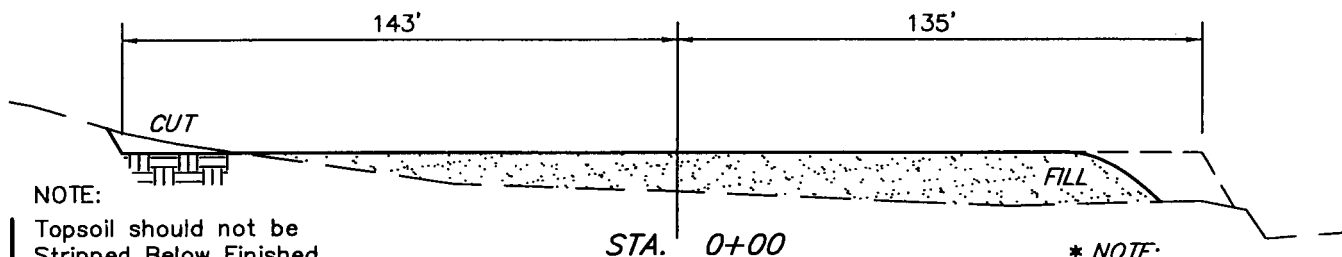
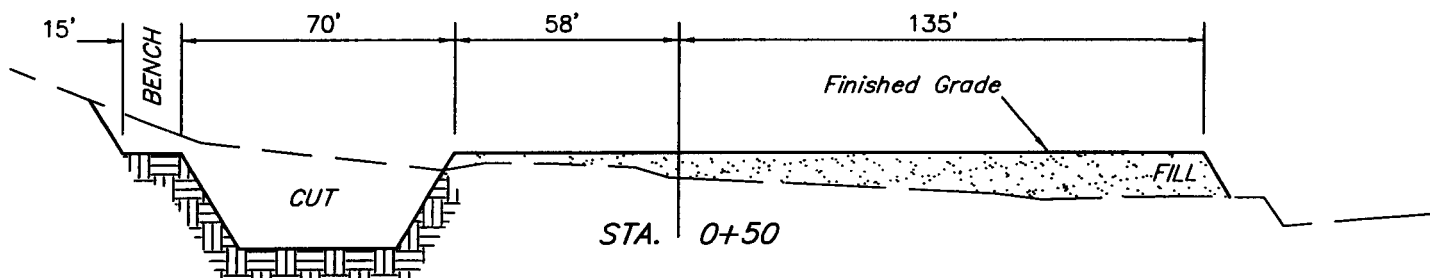
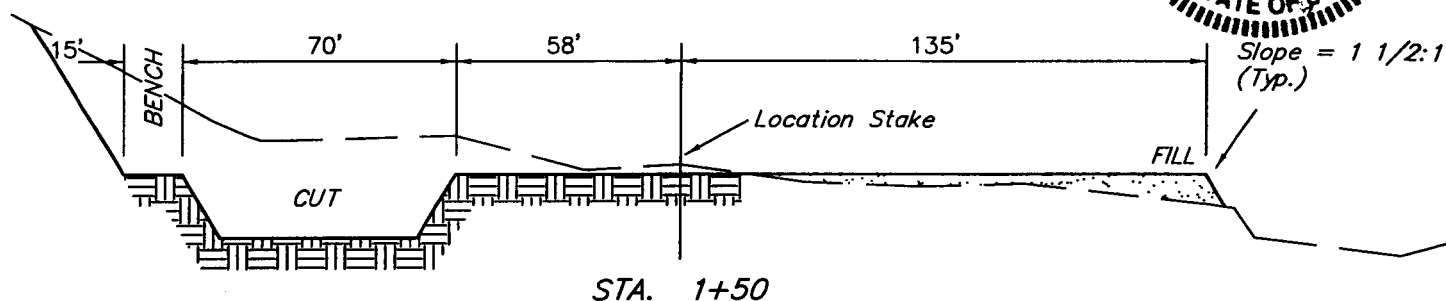
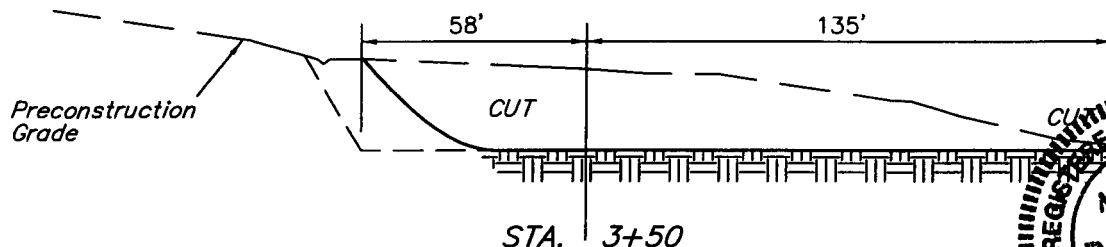
STATE #1021-321

SECTION 32, T10S, R21E, S.L.B.&M.

2208' FSL 1231' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 12-20-06
Drawn By: C.G.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 1,780 Cu. Yds.

Remaining Location = 8,920 Cu. Yds.

TOTAL CUT = 10,700 CU.YDS.

FILL = 4,260 CU.YDS.

EXCESS MATERIAL = 6,440 Cu. Yds.

Topsoil & Pit Backfill = 3,170 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 3,270 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/16/2007

API NO. ASSIGNED: 43-047-39134

WELL NAME: STATE 1021-32I

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

PROPOSED LOCATION:

NESE 32 100S 210E

SURFACE: 2208 FSL 1231 FEL

BOTTOM: 2208 FSL 1231 FEL

COUNTY: Uintah

LATITUDE: 39.90275 LONGITUDE: -109.5697

UTM SURF EASTINGS: 622270 NORTHINGS: 4417733

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DFO	4/24/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-21577

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: _____
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
___ R649-3-11. Directional Drill

COMMENTS:

Needs Presite (04-04-07)

STIPULATIONS:

*1- Spacing Spcl
2- STATEMENT OF BASIS
3- OIL SHALE
4- Surface Log Cont Step*

Application for Permit to Drill

Statement of Basis

4/16/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
334	43-047-39134-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, LP	Surface Owner-APD			
Well Name	STATE 1021-32I	Unit			
Field	UNDESIGNATED	Type of Work			
Location	NESE 32 10S 21E S 2208 FSL 1231 FEL	GPS Coord (UTM) 622270E 4417733N			

Geologic Statement of Basis

Kerr McGee proposes to set 1,800' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,300'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 32. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

4/16/2007
Date / Time

Surface Statement of Basis

The general area is within the Love area of the upper Cottonwood Wash Drainage. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 12 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 18 miles southeast of Ouray, Utah and is accessed by the Seep Ridge Road then by existing or planned oil field development roads to within 0.1 miles of the proposed site. New construction will be required from this point.

The proposed location is on the east side of Cottonwood Wash on a slightly elevated gentle sloping bench. The bench contains minor outwashes from side draws. Two small drainages run longitudinally through the location and are planned to be diverted around the pad. The drainage wall to the west contains sandstone bedrock ledges.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the pre-site investigation. Mr. Davis had no concerns pertaining to this location. The selected location appears to be the best site for drilling and operating a well in the immediate area.

Floyd Bartlett
Onsite Evaluator

4/4/2007
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION
Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, LP
Well Name STATE 1021-321
API Number 43-047-39134-0 **APD No** 334 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NESE **Sec** 32 **Tw** 10S **Rng** 21E 2208 FSL 1231 FEL
GPS Coord (UTM) 622272 4417735 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Keznic, and Clay Einerson (Kerr McGee), David Kay (Utah Engineering and Land Surveying), and Ben Williams (UDWR)

Regional/Local Setting & Topography

The general area is within the Love area of the upper Cottonwood Wash Drainage. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 12 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 18 miles southeast of Ouray, Utah and is accessed by the Seep Ridge Road then by existing or planned oil field development roads to within 0.1 miles of the proposed site. New construction will be required from this point.

The proposed location is on the east side of Cottonwood Wash on a slightly elevated bench. The bench contains minor outwashes from the side draws. Two small drainages run longitudinally through the location and are planned to be diverted around the pad. The drainage wall to the west contains sandstone bedrock ledges.

Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use

Grazing
Recreational
Wildlife Habitat

New Road

Miles	Well Pad		Src Const Material	Surface Formation
0.1	Width 260	Length 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Vegetation is a shrub type. A moderate stand of big sagebrush exists. Lomatium, greasewood, curly mesquite, spiny hopsage, prickly pear and a few spring annuals are also present.

Antelope, cattle, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Rubbly sandy loam.

Erosion Issues N**Sedimentation Issues** N**Site Stability Issues** N**Drainage Diversion Required** Y

Around the south and west sides of the location.

Berm Required? N**Erosion Sedimentation Control Required?** N**Paleo Survey Run?** Y **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?****Reserve Pit****Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score 25 1 **Sensitivity Level****Characteristics / Requirements**

The proposed reserve pit is 70' x 150' x 10' deep located in a cut on the northwest corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.

With the proximity to the bottom of an active drainage, care must be taken to insure the reserve pit is adequately lined and maintained.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y**Other Observations / Comments**

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the location.

ATV's were used to access the site.

Floyd Bartlett
Evaluator

4/4/2007
Date / Time

Casing Schematic

BHP $.052(9050)11.5 = 5412 \text{ psi}$
anticipate - 5611 psi

GWS $.12(9050) = 1086$
 $5412 - 1086 = 4326 \text{ psi, MASP}$

BOPE 5M ✓

Burst 2270
70% 1589 psi

Max P@ surf shoe
 $.22(7250) = 1595$
 $5412 - 1595 = 3817 \text{ psi}$
(1500 psi = max press. allowed @ surf shoe (1000 psi) frac grad.)
test to 1589 psi ✓

Stop surf. cnt. ✓

✓ Adequate DND 4/24/07

9-5/8"
MW 8.3
Frac 19.3

4-1/2"
MW 11.5

Surface

TOC @ 0.

Uinta

TOC @ 442. to surf. w/ 9% w/o
* S. & St. D ✓

911' Green River
1156' Birds Nest Water

1682' Mahogany
Surface
1800. MD

-4071' Wasatch
-4300' EBMSW

✓

-6902' Mesaverde

-7908' MV U2

-8422' MV L1

Production
9050. MD

Well name:	2007-04 Kerr McGee State 1021-321	
Operator:	Kerr McGee Oil & Gas Onshore L.P.	
String type:	Surface	Project ID: 43-047-39134
Location:	Uintah County, Utah	

Design parameters:
Collapse

Mud weight: 8.300 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 100 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,400 ft

Cement top: 442 ft

Burst

Max anticipated surface pressure: 1,584 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,800 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 1,581 ft

Non-directional string.
Re subsequent strings:

Next setting depth: 9,050 ft
Next mud weight: 11.500 ppg
Next setting BHP: 5,406 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,800 ft
Injection pressure: 1,800 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1800	9.625	32.30	H-40	ST&C	1800	1800	8.876	795.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	776	1370	1.765	1800	2270	1.26	51	254	4.98 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: April 19, 2007
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1800 ft, a mud weight of 8.3 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	2007-04 Kerr McGee State 1021-32I		
Operator:	Kerr McGee Oil & Gas Onshore L.P.		
String type:	Production	Project ID:	43-047-39134
Location:	Uintah County, Utah		

Design parameters:
Collapse

Mud weight: 11.500 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 3,415 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,406 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,494 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9050	4.5	11.60	I-80	LT&C	9050	9050	3.875	789.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5406	6360	1.176	5406	7780	1.44	87	212	2.44 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: April 19, 2007
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9050 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208' FSL 1231' FEL		8. WELL NAME and NUMBER: STATE 1021-32I
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E		9. API NUMBER: 43-047-39134
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

An onsite was conducted on 4/4/07 with the Division of Oil, Gas and Mining Representative and SITLA Representative. It was decided to change the proposed pipeline from a 4" pipeline that was approximately 503' +/- to, two 4" pipelines approximately 5,000' +/- and 900' +/-, a 6" pipeline approximately 7,600' +/-, and a 10" pipeline approximately 3,750'

Please refer to the attached Topo D.

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

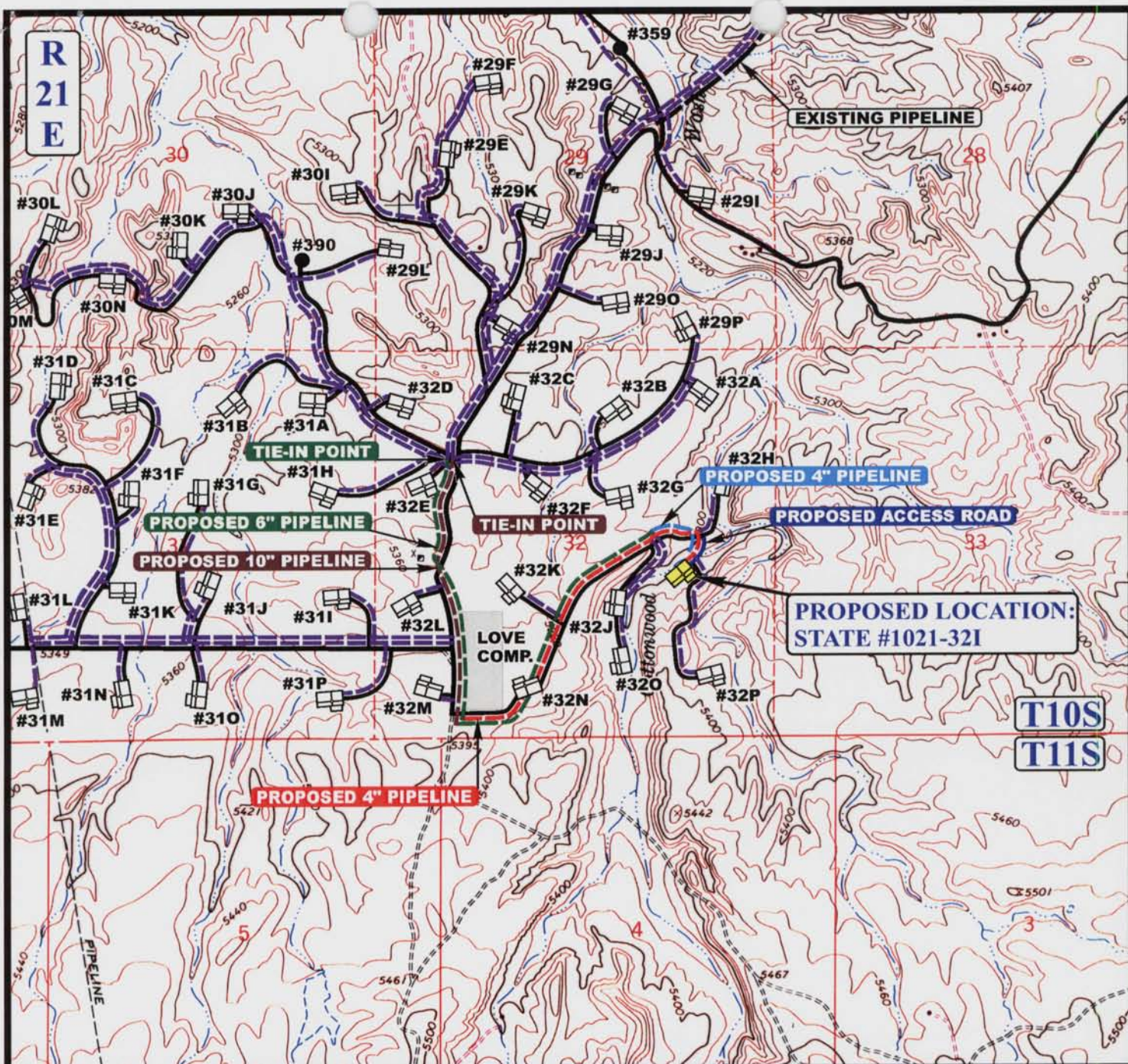
NAME (PLEASE PRINT) <u>Ramey Hoopes</u>	TITLE <u>Land Specialist I</u>
SIGNATURE <u>Ramey Hoopes</u>	DATE <u>4/18/2007</u>

(This space for State use only)

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APR 23 2007

DIV. OF OIL, GAS & MINING



APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 900' +/-

APPROXIMATE TOTAL 10" PIPELINE DISTANCE = 3,750' +/-

APPROXIMATE TOTAL 6" PIPELINE DISTANCE = 7,600' +/-

APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 5,000' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32I

SECTION 32, T10S, R21E, S.L.B.&M.

2208' FSL 1231' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

12 15 06
MONTH DAY YEAR

SCALE: 1"=2000' DRAWN BY: C.P. REVISED: 04-12-07

D
TOPO

From: Ed Bonner
To: Mason, Diana
Date: 6/22/2007 10:23 AM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

EOG Resources, Inc

Chapita Wells Unit 1330-32 (API 43 047 39293)
Chapita Wells Unit 1326-32 (API 43 047 39294)
Chapita Wells Unit 1327-32 (API 43 047 39295)
Chapita Wells Unit 1325-32 (API 43 047 39296)
Chapita Wells Unit 1331-32 (API 43 047 39300)
Chapita Wells Unit 1328-32 (API 43 047 39301)

Kerr McGee Oil & Gas Onshore LP

NBU 1021-19M (API 43 047 38150)
NBU 1021-32A (API 43 047 39026)
NBU 1021-32B (API 43 047 39027)
NBU 1021-32C (API 43 047 39028)
NBU 1021-32F (API 43 047 39029)
NBU 1021-32P (API 43 047 39127)
NBU 1021-32O (API 43 047 39128)
NBU 1021-32N (API 43 047 39129)
NBU 1021-32M (API 43 047 39130)
NBU 1021-32L (API 43 047 39131)
NBU 1021-32K (API 43 047 39132)
NBU 1021-32J (API 43 047 39133)
NBU 1021-32I (API 43 047 39134)
NBU 1021-32H (API 43 047 39135)
NBU 1021-32G (API 43 047 39136)
NBU 1021-32D (API 43 047 39137)
NBU 1021-32E (API 43 047 39138)

Parallel Petroleum Corporation

Trail Creek Anticline 1-2-6-25 (API 43 047 38324)

QEP Uinta Basin Inc

GB 7SG-36-8-21 (API 43 047 38765)

If you have any questions regarding this matter please give me a call.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

June 25, 2007

Kerr-McGee Oil & Gas Onshore, LP
1368 South 1200 East
Vernal, UT 84078

Re: State 1021-321 Well, 2208' FSL, 1231' FEL, NE SE, Sec. 32, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39134.

Sincerely,

Gil Hunt
Associate Director

er
Enclosures

cc: Uintah County Assessor
SITLA



Operator: Kerr-McGee Oil & Gas Onshore, LP
Well Name & Number State 1021-32I
API Number: 43-047-39134
Lease: ML 21577

Location: NE SE **Sec.** 32 **T.** 10 South **R.** 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
8. Surface casing shall be cemented to the surface.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208FSL, 1231'FEL		8. WELL NAME and NUMBER: STATE 1021-321
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E		9. API NUMBER: 4304739134
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION FOR A SLIMHOLE TEST FOR THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO DRILL AN 8 3/4" HOLE AND SET 7" 23# J/K-55 SURFACE CSG. INSTEAD OF DRILLING A 12 1/4" SURFACE HOLE AND SETTING 9 5/8" CSG. THE OPERATOR PROPOSES TO DRILL A 6.125" HOLE INSTEAD OF 7 7/8" HOLE TO TD. OUR PRODUCTION CSG WILL REMAIN THE SAME AS WELL AS EVERYTHING ELSE. THE OPERATOR PLANS TO START THE DRILLING OPERATIONS WITH AN AIR RIG IN ABOUT 10 DAYS.

VERBAL APPROVAL WAS GIVEN TO BRAD LANEY, APC FROM DUSTIN DOUCET, DOGM.

COPY SENT TO OPERATOR

Date: 6.10.2008

Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE <i>Sheila Upchego</i>	DATE 5/22/2008

(This space for State use only) APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 6/2/08
BY: Dustin Doucet
+ Verbal given 5/22/08

RECEIVED

MAY 27 2008

DIV OF OIL, GAS & MINING

Well name:	2007-04 Kerr McGee State 1021-32Irev6-08	
Operator:	Kerr McGee Oil & Gas Onshore L.P.	
String type:	Surface	Project ID: 43-047-39134
Location:	Uintah County, Utah	

Design parameters:
Collapse

Mud weight: 8.300 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 100 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,400 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 1,584 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,800 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,575 ft

Non-directional string.
Re subsequent strings:

Next setting depth: 9,050 ft
Next mud weight: 11.500 ppg
Next setting BHP: 5,406 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,800 ft
Injection pressure: 1,800 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1800	7	23.00	J-55	ST&C	1800	1800	6.25	397.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	776	3270	4.213	1800	4360	2.42	36	284	7.84 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: June 2, 2008
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 1800 ft, a mud weight of 8.3 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, LP

Well Name: STATE 1021-32I

Api No: 43-047-39134 Lease Type: STATE

Section 32 Township 10S Range 21E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 06/06/08

Time 10:30 AM

How DRY

Drilling will Commence: _____

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 06/06//08 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737318	BONANZA 1023-5B		NWNE	5	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>A</u>	99999	<u>16904</u>	6/6/2008			<u>6/19/08</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 06/06/2008 AT 1000 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739828	NBU 922-18M2S		NWSW	18	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	6/6/2008			<u>6/19/08</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 06/06/2008 AT 0800 HRS. <u>BHL = SWSW</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739134	STATE 1021-32I		NESE	32	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>A</u>	99999	<u>16905</u>	6/6/2008			<u>6/19/08</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 06/06/2008 AT 1030 HRS.							

ACTION CODES:

- A** - Establish new entity for new well (single well only)
- B** - Add new well to existing entity (group or unit well)
- C** - Re-assign well from one existing entity to another existing entity
- D** - Re-assign well from one existing entity to a new entity
- E** - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

6/6/2008

Title

Date

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JUN 10 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
KERR McGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2208'FSL, 1231'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-21577

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

8. WELL NAME and NUMBER:
STATE 1021-32I

9. API NUMBER:
4304739134

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 06/06/2008 AT 1030 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE

DATE 6/6/2008

(This space for State use only)

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JUN 17 2008

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208'FSL, 1231'FEL		8. WELL NAME and NUMBER: STATE 1021-32I
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E		9. API NUMBER: 4304739134
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURFACE CSG
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.


MIRU PROPETRO AIR RIG ON 06/08/2008. DRILLED 8 3/4" SURFACE HOLE TO 1950'. RAN 7" 23# J-55 SURFACE CSG. LEAD CMT W/80 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 11 +/- BBLS LEAD CMT TO PIT. RAN 50' OF 1" PIPE. CMT W/80 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT

RECEIVED

JUN 17 2008

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 6/12/2008

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208'FSL, 1231'FEL		8. WELL NAME and NUMBER: STATE 1021-32I
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E		9. API NUMBER: 4304739134
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

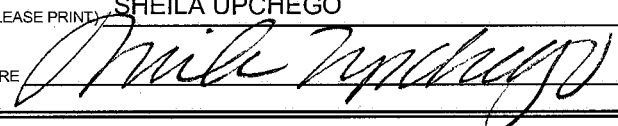
FINISHED DRILLING FROM 1950' TO 9210' ON 07/18/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/130 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/600 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/142 BBLS CLAYFIX FINAL CIRC PSI OF 3200 GOOD RETURNS FLOATS HELD. NO CMT BACK TO PIT. LAND AND TEST HANGER NDBOP CLEAN PITS.

RELEASED PIONEER RIG 38 ON 07/20/2008 AT 0600 HRS.

RECEIVED

JUL 28 2008

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 7/21/2008

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

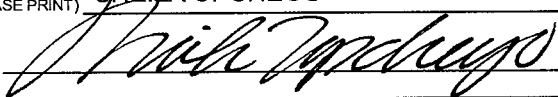
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #881006900A NO UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208'FSL, 1231'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E		8. WELL NAME and NUMBER: STATE 1021-32I 9. API NUMBER: 4304739134 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>PRODUCTION START-UP</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 08/15/2008 AT 10:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 8/18/2008

(This space for State use only)

RECEIVED
AUG 20 2008
DIV. OF OIL, GAS & MINING

Wins No.: 94198

STATE 1021-321

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 06/06/2008	GL 5,306	KB 5322	ROUTE
API 4304739134	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.90271 / -109.57036		Q-Q/Sect/Town/Range: NESE / 32 / 10S / 21E		Footages: 2,208.00' FSL 1,231.00' FEL	

Wellbore: STATE 1021-321

MTD 9,210	TVD 9,202	PBMD 5,322	PBTVD 5,322
EVENT INFORMATION:		EVENT ACTIVITY: DRILLING	START DATE: 6/6/2008
		OBJECTIVE: DEVELOPMENT	END DATE: 7/20/2008
		OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.:
		REASON:	Event End Status: COMPLETE

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	07/03/2008	07/03/2008	07/03/2008	07/05/2008	07/18/2008	07/20/2008	07/21/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation
6/6/2008	SUPERVISOR: LEW WELDON						MD: 56
	10:30 - 18:00	7.50	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1030 HR 6/6/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTFIED OF SPUD
6/8/2008	SUPERVISOR: LEW WELDON						MD: 1,320
	7:30 - 12:00	4.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0730 HR 6/8/08 DA AT REPORT TIME 630'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1320'
6/9/2008	SUPERVISOR: LEW WELDON						MD: 1,950
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1770'
	12:00 - 16:00	4.00	DRLSUR	02		P	RIG T/D @ 1950' CONDITION HOLE 1 HR
	16:00 - 19:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	19:00 - 22:00	3.00	DRLSUR	11		P	RUN 1918' OF 7" CSG AND 50' OF 1" PIPE RIG DOWN AIR RIG
	22:00 - 22:30	0.50	DRLSUR	15		P	CEMENT 1ST STAGE WITH 80 SKS LEAD @ 11# 3.82 23 GAL/SK AND 100 SKS TAIL @ 15.8# 1.15 5.0 GAL SK GOOD RETURNS THRUOUT JOB + - 11 BBL LEAD CMT TO PIT
	22:30 - 23:30	1.00	DRLSUR	15		P	1ST TOP JOB 80 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND STAYED AT SURFACE
	23:30 - 23:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/4 FULL WORT

Wins No.: 94198

STATE 1021-321

API No.: 4304739134

7/2/2008	SUPERVISOR: KENNY MORRIS							MD: 1,950
18:00 - 0:00	6.00	MIRU	01	E	P	PREP F/MOVE TO STATE 1021-321		
7/3/2008	SUPERVISOR: KENNY MORRIS							MD: 1,950
0:00 - 7:00	7.00	RDMO	01	E	P	RDRT PREP F/MOVE		
7:00 - 18:00	11.00	MIRU	01	A	P	MOVE & RURT		
18:00 - 0:00	6.00	MIRU	01	B	P	RURT		
7/4/2008	SUPERVISOR: KENNY MORRIS							MD: 1,950
0:00 - 10:00	10.00	MIRU	01	B	P	RURT		
10:00 - 11:00	1.00	MIRU	06	D	P	CUT & SLIP		
11:00 - 17:00	6.00	PRSPD	13	C	P	TEST RAMS,CHOKE & MANIFOLD 5K,ANNULAR2500,CSG 1500		
17:00 - 22:00	5.00	PRSPD	05	A	P	P/U BHA		
22:00 - 0:00	2.00	PRSPD	02	F	P	DRILL CEMENT 1800 TO 1905		
7/5/2008	SUPERVISOR: KENNY MORRIS							MD: 2,650
0:00 - 3:00	3.00	PRSPD	02	F	P	DRILL CEMENT & FE TO 1950		
3:00 - 6:00	3.00	DRLPRO	02	A	P	DRILL NEW 6.25 FROM 1950 TO 2005,		
6:00 - 7:00	1.00	DRLPRO	07	A	P	WORK ON SURVEY MACHINE		
7:00 - 7:30	0.50	DRLPRO	09	A	P	SURVEY @1965=1.5		
7:30 - 12:00	4.50	DRLPRO	05	A	P	POOH ,P/U DROP BIT & MUD MTR,TIH		
12:00 - 15:00	3.00	DRLPRO	02	B	P	DRILL F/2005 TO 2176,AVG 57 WT 8.5/28		
15:00 - 15:30	0.50	DRLPRO	09	A	P	SURVEY@2105=2		
15:30 - 16:30	1.00	DRLPRO	02	B	P	DRILL F/2176 TO 2271,AVG 95 WT 8.9/32		
16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE		

Wins No.: 94198

STATE 1021-321

API No.: 4304739134

16:30 - 17:00 0.50 DRLPRO 06 A P RIG SERVICE
 17:00 - 0:00 7.00 DRLPRO 02 B P DRILL F/2271 TO 2650,AVG 54

7/6/2008

SUPERVISOR: KENNY MORRIS

MD: 3,780

0:00 - 0:30 0.50 DRLPRO 09 A P SURVEY@2580=2
 0:30 - 12:00 11.50 DRLPRO 02 B P DRILL F/2650 TO 3320,AVG 58 WT 9.1/34
 12:00 - 12:30 0.50 DRLPRO 06 A P RIG SERVICE
 12:30 - 13:00 0.50 DRLPRO 09 A P SURVEY@3250=2
 13:00 - 0:00 11.00 DRLPRO 02 B P DRILL F/3320' TO 3780,AVG 42

7/7/2008

SUPERVISOR: KENNY MORRIS

MD: 4,650

0:00 - 13:00 13.00 DRLPRO 02 B P DRILL F/3780 TO 4332,AVG 42 WT 9.5/41
 13:00 - 13:30 0.50 DRLPRO 06 A P RIG SERVICE
 13:30 - 14:00 0.50 DRLPRO 09 A P SURVEY@4260=2.5
 14:00 - 15:30 1.50 DRLPRO 07 A P WORK ON PASON DRLG RECORDER,MAIN DATA BOX DEAD
 15:30 - 0:00 8.50 DRLPRO 02 B P DRILL F/4332 TO 4650 ,

7/8/2008

SUPERVISOR: KENNY MORRIS

MD: 5,445

0:00 - 17:00 17.00 DRLPRO 02 B P DRILL F/4650 TO 5223,AVG 34 WT 9.8/44
 17:00 - 17:30 0.50 DRLPRO 06 A P RIG SERVICE
 17:30 - 18:00 0.50 DRLPRO 09 A P SURVEY@5153=2.5
 18:00 - 0:00 6.00 DRLPRO 02 B P DRILL F/5223 TO 5445,,AVG37 WT 9.9/42

7/9/2008

SUPERVISOR: KENNY MORRIS

MD: 6,078

0:00 - 14:00 14.00 DRLPRO 02 B P DRILL F/5445 TO 5856, AVG 29 WT 9.9/42
 14:00 - 14:30 0.50 DRLPRO 06 A P RIG SERVICE
 14:30 - 0:00 9.50 DRLPRO 02 B P DRILL F/5856 TO 6078,AVG 23 WT 10/42

	14:30 - 0:00	9.50	DRLPRO	02	B	P	DRILL F/5856 TO 6078,AVG 23 WT 10/42	
7/10/2008	SUPERVISOR: KENNY MORRIS							MD: 6,350
	0:00 - 3:00	3.00	DRLPRO	02	B	P	DRILL F/6078 TO 6135,AVG 19 WT 10/42	
	3:00 - 7:00	4.00	DRLPRO	05	A	P	DROP SURVEY,POOH,CHANGE BIT & MTR	
	7:00 - 10:30	3.50	DRLPRO	05	A	P	TIH ,CIRC BHA,TIH TO 4750 '	
	10:30 - 12:00	1.50	DRLPRO	03	A	S	WASH & REAM 4750 TO 5200	
	12:00 - 12:30	0.50	DRLPRO	05	A	P	TIH TO 5900	
	12:30 - 13:30	1.00	DRLPRO	03	A	P	WASH & REAM 220 ' TO BOTTOM	
	13:30 - 0:00	10.50	DRLPRO	02	B	P	DRILL F/6135 TO 6350,AVG 20 WT 10.5/44	
7/11/2008	SUPERVISOR: KENNY MORRIS							MD: 6,790
	0:00 - 12:30	12.50	DRLPRO	02	B	P	DRILL F/6350 TO 6585,AVG 18,WT 10.5/43	
	12:30 - 13:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	13:00 - 0:00	11.00	DRLPRO	02	B	P	DRILL F/6585 TO 6795,AVG 19 WT 10.6/40	
7/12/2008	SUPERVISOR: KENNY MORRIS							MD: 7,170
	0:00 - 14:00	14.00	DRLPRO	02	B	P	DRILL F/6790 TO 7000,AVG 15 WT 10.5/44	
	14:00 - 14:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	14:30 - 0:00	9.50	DRLPRO	02	B	P	DRILL F/7000 TO 7170,AVG 17 WT 10.5/50	
7/13/2008	SUPERVISOR: KENNY MORRIS							MD: 7,565
	0:00 - 12:30	12.50	DRLPRO	02	B	P	DRILL F/7170 TO 7379,AVG 17 WT 10.5/47	
	12:30 - 13:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	13:00 - 0:00	11.00	DRLPRO	02	B	P	DRILL F/7379 TO 7565,AVG 17 WT 10.6/48	
7/14/2008	SUPERVISOR: KENNY MORRIS							MD: 7,792
	0:00 - 14:00	14.00	DRLPRO	02	B	P	DRILLF/7565 TO	

0:00 - 14:00	14.00	DRLPRO	02	B	P	DRILL F/7565 TO
14:00 - 18:00	4.00	DRLPRO	05	A	P	DROP SURVEY, PUMPPILL, POOH
18:00 - 22:30	4.50	DRLPRO	05	A	P	CHANGE BIT & MUD MTR, TIH
22:30 - 0:00	1.50	DRLPRO	03	A	S	WASH & REAM F/6700 TO 7300

7/15/2008

SUPERVISOR: KENNY MORRIS

MD: 8,050

0:00 - 2:30	2.50	DRLPRO	03	A	S	WASH & REAM F/7300 TO 7792
2:30 - 17:30	15.00	DRLPRO	02	B	P	DRILL F/7792 TO 7950, AVG 10 WT 10.8/42
17:30 - 18:00	0.50	DRLPRO	06	A	P	RIG SERVICE
18:00 - 0:00	6.00	DRLPRO	02	B	P	DRILL F/7950 TO 8050, AVG 17 WT 11/45

7/16/2008

SUPERVISOR: KENNY MORRIS

MD: 8,480

0:00 - 0:30	0.50	DRLPRO	07	B	P	WORK ON #2 PUMP GASKET
0:30 - 17:00	16.50	DRLPRO	02	B	P	DRILL F/8050 TO 8332, AVG 17 WT 11/43
17:00 - 17:30	0.50	DRLPRO	06	A	P	RIG SERVICE
17:30 - 0:00	6.50	DRLPRO	02	B	P	DRILL F/8332 TO 8480, AVG 17 WT 11.2/45

7/17/2008

SUPERVISOR: KENNY MORRIS

MD: 8,815

0:00 - 15:00	15.00	DRLPRO	02	B	P	DRILL F/8480 TO 8712, AVG 15 WT 11.2/48
15:00 - 15:30	0.50	DRLPRO	06	A	P	RIG SERVICE
15:30 - 0:00	8.50	DRLPRO	02	B	P	DRILL F/8712 TO 8815, AVG 12 WT 11.4/48

7/18/2008

SUPERVISOR: KENNY MORRIS

MD: 9,210

0:00 - 13:30	13.50	DRLPRO	02	B	P	DRILL F/8815 TO 9060, AVG 18 WT 11.5/46
13:30 - 14:00	0.50	DRLPRO	06	A	P	RIG SERVICE
14:00 - 21:00	7.00	DRLPRO	02	B	P	DRILL F/9060 TO
21:00 - 22:00	1.00	DRLPRO	04	C	P	CIRC F/SHORTTRIP

Wins No.: 94198		STATE 1021-32I					API No.: 4304739134
	21:00 - 22:00	1.00	DRLPRO	04	C	P	CIRC F/SHORTTRIP
	22:00 - 0:00	2.00	DRLPRO	05	E	P	SHORTTRIP BACK TO 7500
7/19/2008	SUPERVISOR: KENNY MORRIS						MD: 9,210
	0:00 - 2:00	2.00	EVALPR	04	A	P	CIRC TO LDDP& BHA
	2:00 - 10:00	8.00	EVALPR	05	B	P	DDP & BHA,PULL WEARRING,DROP=3
	10:00 - 17:00	7.00	EVALPR	10	C	P	TRIPLE COMBO W/HALCO,,LOGGERS DEPTH 9148
	17:00 - 0:00	7.00	CSG	11	B	P	SM W/TESCO R/U RUN 217 JT & 1 MARKER PROD CSG 9196'
7/20/2008	SUPERVISOR: KENNY MORRIS						MD: 9,210
	0:00 - 1:30	1.50	CSG	04	E	P	CIRC F/PROD CEMENT
	1:30 - 3:00	1.50	CSG	15	A	P	PUMP 130 SX LEAD &600SX TAIL,DISPLACE 142 BBLSCCLAYFIX,FINAL CIRC PSI 3200 GOOD RETURNS,FLOAT HELD,NO CEMENT BACK TO PIT
	3:00 - 3:30	0.50	RDMO	13	A	P	LAND &TEST HANGER,NDBOP
	3:30 - 6:00	2.50	RDMO	01	E	P	CLEAN PITS RELEASE@06:00AM 7/20/08

Wins No.: 94198		STATE 1021-321		API No.: 4304739134			
EVENT INFORMATION:		EVENT ACTIVITY: COMPLETION		START DATE: 8/7/2008			
		OBJECTIVE: DEVELOPMENT		END DATE:			
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.: :			
		REASON: MV SW		Event End Status:			
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start		
		Finish Drilling	Rig Release	Rig Off Location			
KEY 243 / 243							
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
8/6/2008	SUPERVISOR: JEFF SAMUELS						MD:
	7:00 - 17:00	10.00					MOVE RIG F/ STATE 1021-32L. MIRU. NDWH, NUBOP.
							PREP & TALLY 2 3/8" J55 TBG. PU 3 7/8" MILL & BIT SUB. RIH, PU TBG OFF TRLR. TAG FILL @ 9106'. RU DRLG EQUIPMENT. RU PMP & LINES. BRK REV CIRC W/ 2%. DRL 44' CMT TO PBTD @ 9150'. CIRC WELL CLEAN.
							POOH, LD 35 JTS TBG. EOT @ 8229'. SDFN.
8/7/2008	SUPERVISOR: JEFF SAMUELS						MD:
	7:00 - 14:00	7.00	COMP	33	C	P	7:00 A.M. HSM
							CONT TO POOH STD BK TBG F/ 8229'. L/D BIT & BIT SUB. NDBOPE. NU FRAC VLV'S. MIRU B&C QUICK TST. FILL CSG & PSI TST CSG & FRAC VLV'S TO 7500# (HELD). PREP TO FRAC. SDFD
8/8/2008	SUPERVISOR: JEFF SAMUELS						MD:
	7:00 - 15:00	8.00	COMP	46	E	P	RIG & EQUIP ON STANDBY. WAIT ON FRAC CREW
8/9/2008	SUPERVISOR: KEN WARREN						MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM, WORKING W/ WIRELINE
	7:15 - 18:30	11.25	COMP	31	H	X	MIRU WEATHERFORD FRAC EQUIP & CUTTERS WIRE LINE, P/U RIH W/ 3-3/8 EXPEND GUN, SET DN @ 9092' BOTTOM PERF IS 9105' COULD NOT GET DEEP ENOUGH, PULLED UP CHECKED SHORT JNT, COUNTED COLLARS TO SET DN, NO DIFF. POOH W/ WIRE LINE, R/D WIRE LINE, FRAC HEAD & FRAC VALVES, N/U BOPE, P/U 3-7/8 MILL W/ X-OVER, RIH W/ 2-3/8 J-55 TBG, TAG UP @ 9094' P/U PWR SWVL, REVERSE CIRC WELL, DRL THROUGH FLOAT SHOE & 52' OF CEMENT. CIRC HOLE CLEAN, L/D 29 JNTS, R/D PWR SWVL, POOH STNDG BACK W/ 262 JNTS. R/D TBG EQUIP, N/D BOPE, N/U FRAC VALVES, READY TO FRAC IN A.M
8/10/2008	SUPERVISOR: KEN WARREN						MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM, L/D PERF GUNS

7:15 - 17:00 9.75 COMP 36 E P PRESSURE TEST CSG TO 7500# W/ WEATHERFORD [GOOD TEST] BLEED WELL OFF.

STG #1] P/U RIH W/ PERF GUN. PERF MESAVERDE USING 3-3/8 EPEND, 23 GRM, 0.36" HOLE, 3 SPF, 120" PH. 9102'-9105' 9 HOLES, 9082'-9085' 9 HOLES, 9054'-9057' 9 HOLES, 9032'-9035' 9 HOLES, 9014'-9017' 9 HOLES [45 HOLES]

WHP=0#, BRK DN PERFS @ 3605', INJT PSI=4975#, INJT RT=49.8, ISIP=3570#, FG=.77, PUMP'D 5046.4 bbls slk wtr w/ 1774003 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=2988#, FG=.76, AR=52.2, AP=4841#, MR=52.6, MP=5634#, NPI=-502#, 43/45 CALC PERFS OPEN.

STG #2] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 8988', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 3 SPF, 120" PH, 8958'-8968' 30 HOLES, 8840'-8845' 15 HOLES.

WHP=100#, BRK DN PERFS @ 6051#, INJT PSI=5520#, INJT RT=50.5, ISIP=3620#, FG=.84, PUMP'D 2570 BBLS SLK WTR W/ 89296# 30/50 MESH W/ 5000# RESIN IN TAIL, ISIP=3083#, FG=.78, AR=50.6, AP=4958#, MR=50.8, MP=5042#, NPI=-537#, 40/45 CALC PERFS OPEN.

STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8698', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 8662'-8668, 4 SPF, 90" PH, 24 HOLES, 8600'-8606' 3 SPF, 120" PH, 18 HOLES, 8554'-8556' 2 SPF, 180" PH, 4 HOLES, [46 HOLES]

WHP=0#, BRK DN PERFS @ 3608#, INJT PSI=4954#, INJT RT=50.4, ISIP=3156#, FG=.80, PUMP'D 3030 BBLS SLK WTR W/ 106443# 30/50 MESH W/ 5000# RESIN CAOT IN TAIL. ISIP=3158#, FG=.80, AR=51, AP=4684#, MR=51.6, MP=5062#, NPI=2#, 43/36 CALC PERS OPEN 93%.

STG #4] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8515', PERF MESAVERDE USING 3-3/8 EXPEND, 23GRM, 0.36" HOLE, 8480'-8485' 4 SPF, 90" PH, 20 HOLES, 8443'-8447' 3 SPF, 120" PH, 12 HOLES, 8397'-8399' 2 SPF, 180" PH, 4 HOLES, 8362'-8364' 2 SPF, 180" PH, 4 HOLES [40 HOLES]

WHP=0#, BRK DN PERFS @ 3797#, INJT PSI=5084#, INJT RT=51.2, ISIP=3253#, FG=.82, PUMP'D 3481 BBLS SLK WTR W/ 117103# 30/50 MESH W/ 5000# RESIN IN TAIL, ISIP=2870#, FG=.77, AR=51.7, AP=4988#, MR=52.3, MP=5661#, NPI=-383#, 40/40 CALC PERFS OPEN.

P/U RIH W/ BKR 8K CBP & SET @ 8312', R/D CUTTERS & WEATHERFORD FRAC. N/D FRAC VALVES, N/U BOPE, SWFN.

8/13/2008

SUPERVISOR: KEN WARREN

MD:

7:00 - 7:15 0.25 COMP 48 P HSM, MAKING CONNECTIONS

7:15 - 19:30 12.25 COMP 44 C P OPEN WELL 0#, P/U 3-7/8 BIT W/ POBS PKG, RIH W/ 2-3/8 J-55 TBG TAG KILL PLUG @ 8312'.

PLUG #1] P/U PWR SWVL, EST CIRC W/ RIG PUMP, DRL THROUGH BKR 8K CBP @ 8312' IN 10 MIN. 800# INCREASE.

PLUG #2] CONTINUE TO RIH TAG SAND @ 8485' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 8515' IN 10 MIN. 400# INCREASE.

PLUG #3] CONTINUE TO RIH TAG SAND @ 8668' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 8698' IN 10 MIN. 500# INCREASE.

PLUG #4] CONTINUE TO RIH TAG SAND @ 8968' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 8998' IN 10 MIN. 300# INCREASE.

CONTINUE TO RIH C/O TO PBTD @ 9152' CIRC HOLE, R/D PWR SWVL, L/D 16 JNTS ON FLOAT, P/U LUBRICATE HANGER IN WELL, DROP BALL, R/D TBG EQUIP, N/D FRAC VALVES, N/U WELL HEAD, R/U TO PUMP OFF BIT MADE SEVERAL ATTEMPTS & COULD NOT GET BIT PUMP'D OFF. CALLED CUTTERS, MIRU MADE CHEMICAL CUT 10' ABOVE BIT. [NO SEAT NIPPLE] WELL FLOWING UP TBG, TURN OVER TO FLOW BACK CREW.

8/15/2008

SUPERVISOR: KEN WARREN

MD:

Wins No.: 94198		STATE 1021-321		API No.: 4304739134
8/15/2008	7:00 -	33	A	7 AM FLBK REPORT: CP 2000#, TP 1800#, 16/64" CK, 60 BWPH, MEDIUM SAND, - GAS TTL BBLS RECOVERED: 3220 BBLS LEFT TO RECOVER: 10908
	MD:			
8/15/2008	SUPERVISOR: KEN WARREN			
	7:00 -	33	A	7 AM FLBK REPORT: CP 1800#, TP 1700#, 16/64" CK, 61 BWPH, MEDIUM SAND, - GAS TTL BBLS RECOVERED: 4769 BBLS LEFT TO RECOVER: 9359

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	OTHER <input type="checkbox"/>		
b. TYPE OF WORK:		NEW WELL <input checked="" type="checkbox"/>	HORIZ. LATS. <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	RE-ENTRY <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	OTHER <input type="checkbox"/>
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP						9. API NUMBER: 4304739134	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078				PHONE NUMBER: (435) 781-7024		10 FIELD AND POOL, OR WILDCAT NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2208'FSL, 1231'FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E	
						12. COUNTY UINTAH	13. STATE UTAH

14. DATE SPUDDED: 6/6/2008	15. DATE T.D. REACHED: 7/18/2008	16. DATE COMPLETED: 8/15/2008	ABANDONED <input type="checkbox"/>	READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 5306'GL
18. TOTAL DEPTH: MD 9,210 TVD	19. PLUG BACK T.D.: MD 9,152 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *			21. DEPTH BRIDGE MD PLUG SET: TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL-CCL-GR, SD, DSN, ACTR				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
8 3/4"	7" J-55	23#		1,950		260			
6 1/2"	4 1/2 I-80	11.6#		9,210		730			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,312							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) MESAVERDE	8,362	9,105			8,362 9,105	0.36	176	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8362'-9105'	PMP 14,127 BBLS SLICK H2O & 490,242# 30/50 MESH SD

29. ENCLOSED ATTACHMENTS:

- ☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: _____

30. WELL STATUS:

PROD

RECEIVED

SEP 11 2008

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 8/15/2008	TEST DATE: 8/18/2008	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 282	GAS – MCF: 1,500	WATER – BBL: 805	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 1,300	CSG. PRESS. 2,200	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	847				
MAHOGANY	1,421				
WASATCH	4,073	6,599			
MESAVERDE	6,927	9,110			

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 9/8/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER
ML-21577

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT OR CA AGREEMENT NAME
UNIT #891008900A

8. WELL NAME AND NUMBER
STATE 1021-32I

9. API NUMBER:
4304739134

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR 1368 SOUTH 1200 EAST VERNAL UT 84078

PHONE NUMBER
(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2208'FSL, 1231'FEL

COUNTY: UINTAH

QTR, QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 10S 21E

STATE: UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO COMPLETE THE WASATCH AND MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATION, ALONG WITH THE EXISTING MESAVERDE FORMATIONS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR

Date: 3/12/2009

Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 2/10/2009

(This space for State use only)
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 3/11/09
BY: [Signature]
(See Instructions on Reverse Side)

RECEIVED
FEB 19 2009

DIV. OF OIL, GAS & MINING

Name: State 1021-32I
Location: NE SE Sec 32 T10S R21E
Uintah County, UT
Date: 01/07/2009

ELEVATIONS: 5306 GL 5322 KB

TOTAL DEPTH: 9210 **PBTD:** 9152
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 1934'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9196'
Marker Joint **4028-4049'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

TOPS:

911' Green River
992' Birds Nest
1504' Mahogany
4060' Wasatch
6886' Mesaverde
Estimated T.O.C. from CBL @4100

GENERAL:

- A minimum of **29** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 07/19/2008
- **6** fracturing stages required for coverage.
- Procedure calls for 7 CBP's (**8000** psi) .
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.

- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- **Tubing Currently Landed @~8992' with packer**
- Originally completed on 8/12/2008

Existing Perforations:

MESAVERDE 8362	8364	2	4
MESAVERDE 8397	8399	2	4
MESAVERDE 8443	8447	3	12
MESAVERDE 8480	8485	4	20
MESAVERDE 8554	8556	2	4
MESAVERDE 8600	8606	3	18
MESAVERDE 8662	8668	4	24
MESAVERDE 8840	8845	3	15
MESAVERDE 8958	8968	3	30
MESAVERDE 9014	9017	3	9
MESAVERDE 9032	9035	3	9
MESAVERDE 9054	9057	3	9
MESAVERDE 9082	9085	3	9
MESAVERDE 9102	9105	3	9

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. Release packer and TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8992' with packer'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 8286 (50' below proposed CBP). Otherwise P/U a mill and C/O to 8286 (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 8236'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8211	8226	3	45
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~8161' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~8032'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	7898	7900	4	8
MESAVERDE	7958	7962	4	16

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~7848' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~7758'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7624	7628	3	12
MESAVERDE	7718	7728	3	30
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~7574' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~7480'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7368	7372	4	16
MESAVERDE	7444	7450	4	24
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~7318' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
13. Set 8000 psi CBP at ~7132'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
MESAVERDE	7092	7102	4	40
14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~7042' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
15. Set 8000 psi CBP at ~6010'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5970	5980	4	40
16. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 6 on attached listing. Under-displace to ~5920' and flush only with recycled water.
17. Set 8000 psi CBP at ~5920'.
18. TIH with 3 7/8" mill, pump off bit sub, SN and tubing.
19. Mill plugs (DRILL ISOLATION PLUG @ 8236') and clean out to 9152. Land tubing at ±8810' and pump off bit sub unless indicated otherwise by the well's behavior. This well will be commingled at this time.
20. RDMO
21. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

For design questions, please call
Curtis Caile, Denver, CO
(406)-490-2742 (Cell)
(720)-929-6194 (Office)

For field implementation questions, please call
Robert Miller, Vernal, UT
4350781 7041 (Office)

NOTES:

This is the recompletion of a mudstone test.

Fracturing Schedules
State 1021-321 Recomplete
Slickwater Frac

Stage	Zone	Feet	Perfs		SPF	Holes	Rate	Fluid	Initial	Final	Fluid	Volume	Cum Vol	Volume	Cum Vol	Fluid of frac	Sand	Sand	Cum. Sand	Footage from	Scale
		of Pay	Top, ft.	Bot. ft.			BPM	Type	ppg	ppg		gals	gals	BBLs	BBLs	% of frac	lbs	lbs	lbs	CBP to Flush	Inhib., gal.
1	MESAVERDE	1	8211	8226	3	45	Varied	Pump-in test			Slickwater	0	0	0	0						
	MESAVERDE	18		No Perfs			0	ISIP and 5 min ISIP			Slickwater	14,163	14,163	337	337	15.0%	0.0%	0	0		52
	MESAVERDE	2		No Perfs			0	Slickwater Pad			Slickwater	26,753	40,916	637	974	28.3%	16.7%	16,721	16,721		42
	MESAVERDE	1		No Perfs			0.25	Slickwater Ramp			Slickwater	0	40,916	0	974	0.0%	0.0%	0	16,721		40
	MESAVERDE	0		No Perfs			0	SW Sweep			Slickwater	26,753	67,669	637	1,611	28.3%	33.4%	33,441	50,162		0
	MESAVERDE	1		No Perfs			0	Slickwater Ramp			Slickwater	0	67,669	0	1,611	0.0%	0.0%	0	50,162		40
	MESAVERDE	0		No Perfs			0.5	SW Sweep			Slickwater	5,250	72,919	125	1,736	3.0%	3.0%	3,000	53,162		0
	MESAVERDE	0		No Perfs			1.5	Slickwater Ramp			Slickwater	26,753	99,672	637	2,373	28.3%	46.6%	46,818	99,980		0
	MESAVERDE	0		No Perfs			50	Flush (4-1/2")			Slickwater	5,328	105,000	127	2,500				99,980		52
	MESAVERDE	0		No Perfs				ISIP and 5 min ISIP					105,000								227
	MESAVERDE	0		No Perfs							Sand laden Volume		94,422					gal/h 4,496	4,761	lbs sand/h	
	MESAVERDE	0		No Perfs														CBP depth 8,032			
	MESAVERDE	21		# of Perfs/stage		45															
						50.0		<< Above pump time (min)													
2	MESAVERDE	1	7996	7900	4	8	Varied	Pump-in test			Slickwater	0	0	0	0						
	MESAVERDE	2	7958	7962	4	16	0	ISIP and 5 min ISIP			Slickwater	11,044	11,044	263	263	15.0%	0.0%	0	0		33
	MESAVERDE	6	7998	8002	4	16	0	Slickwater Pad			Slickwater	20,861	31,905	497	760	20.3%	16.6%	13,038	13,038		31
	MESAVERDE	1		No Perfs			0.25	Slickwater Ramp			Slickwater	0	31,905	0	760	0.0%	0.0%	0	13,038		0
	MESAVERDE	2		No Perfs			0	SW Sweep			Slickwater	20,861	52,766	497	1,256	20.3%	32.2%	26,076	39,114		31
	MESAVERDE	4		No Perfs			0	Slickwater Ramp			Slickwater	0	52,766	0	1,256	0.0%	0.0%	0	39,114		0
	MESAVERDE	13		No Perfs			0.5	SW Sweep			Slickwater	5,250	58,016	125	1,381	3.0%	3.0%	3,000	42,114		0
	MESAVERDE	4		No Perfs			1.5	Slickwater Ramp			Slickwater	20,861	78,877	497	1,878	26.3%	46.4%	36,507	78,621		0
	MESAVERDE	1		No Perfs			50	Flush (4-1/2")			Slickwater	5,123	84,000	122	2,000				78,621		50
	MESAVERDE	3		No Perfs				ISIP and 5 min ISIP					84,000								145
	MESAVERDE	8		No Perfs							Sand laden Volume		73,627					gal/h 1,124	1,200	lbs sand/h	
	MESAVERDE	1		No Perfs														CBP depth 7,769			
	MESAVERDE	1		No Perfs																	
	MESAVERDE	5		No Perfs																	
		66		# of Perfs/stage		40															
						37.6		<< Above pump time (min)													
3	MESAVERDE	0	7624	7628	3	12	Varied	Pump-in test			Slickwater	0	0	0	0						
	MESAVERDE	6	7718	7720	3	30	0	ISIP and 5 min ISIP			Slickwater	18,949	18,949	451	451	15.0%	0.0%	0	0		57
	MESAVERDE	9		No Perfs			0.25	Slickwater Pad			Slickwater	35,793	54,742	852	1,303	20.3%	16.9%	22,370	22,370		54
	MESAVERDE	6		No Perfs			0	Slickwater Ramp			Slickwater	0	54,742	0	1,303	0.0%	0.0%	0	22,370		8
	MESAVERDE	6		No Perfs			0	SW Sweep			Slickwater	35,793	90,535	852	2,281	28.3%	33.7%	44,741	67,111		54
	MESAVERDE	0		No Perfs			0	Slickwater Ramp			Slickwater	0	90,535	0	2,281	0.0%	0.0%	0	67,111		0
	MESAVERDE	2		No Perfs			0.5	SW Sweep			Slickwater	10,500	106,284	250	2,531	2.3%	3.0%	3,000	70,111		0
	MESAVERDE	6		No Perfs			1.5	Slickwater Ramp			Slickwater	35,793	142,077	852	3,383	26.3%	47.2%	62,637	132,748		0
	MESAVERDE	6		No Perfs			50	Flush (4-1/2")			Slickwater	4,944	147,021	118	3,500				132,748		49
	MESAVERDE	10		No Perfs				ISIP and 5 min ISIP					147,021								221
	MESAVERDE	4		No Perfs							Sand laden Volume		126,327					gal/h 2,005	2,107	lbs sand/h	
	MESAVERDE	0		No Perfs														CBP depth 7,480			
	MESAVERDE	0		No Perfs																	
		63		# of Perfs/stage		42															
						67.7		<< Above pump time (min)													
4	MESAVERDE	0	7368	7372	4	16	Varied	Pump-in test			Slickwater	0	0	0	0						
	MESAVERDE	11	7444	7450	4	24	0	ISIP and 5 min ISIP			Slickwater	11,105	11,105	264	264	15.0%	0.0%	0	0		33
	MESAVERDE	2		No Perfs			0.25	Slickwater Pad			Slickwater	20,976	32,081	499	764	26.3%	16.6%	13,110	13,110		31
	MESAVERDE	2		No Perfs			0	Slickwater Ramp			Slickwater	0	32,081	0	764	0.0%	0.0%	0	13,110		0
	MESAVERDE	9		No Perfs			0	SW Sweep			Slickwater	20,976	53,056	499	1,263	26.3%	33.2%	26,220	39,330		31
	MESAVERDE	1		No Perfs			1	Slickwater Ramp			Slickwater	0	53,056	0	1,263	0.0%	0.0%	0	39,330		0
	MESAVERDE	0		No Perfs			0.5	SW Sweep			Slickwater	5,250	58,306	125	1,388	3.0%	3.0%	3,000	42,330		0
	MESAVERDE	1		No Perfs			1.5	Slickwater Ramp			Slickwater	20,976	79,282	499	1,888	26.3%	46.4%	36,708	79,037		0
	MESAVERDE	17		No Perfs			50	Flush (4-1/2")			Slickwater	4,777	84,059	114	2,001				79,037		46
	MESAVERDE	5		No Perfs				ISIP and 5 min ISIP					84,059								143
	MESAVERDE	0		No Perfs							Sand laden Volume		74,032					gal/h 903	954	lbs sand/h	
	MESAVERDE	0		No Perfs														CBP depth 7,132			
	MESAVERDE	9		No Perfs																	
		82		# of Perfs/stage		40															
						37.8		<< Above pump time (min)													
5	MESAVERDE	2	7092	7100	4	40	Varied	Pump-in test			Slickwater	0	0	0	0						
	MESAVERDE	0		No Perfs			0	ISIP and 5 min ISIP			Slickwater	8,768	8,768	209	209	15.0%	0.0%	0	0		26
	MESAVERDE	9		No Perfs			0.25	Slickwater Pad			Slickwater	16,561	25,329	394	603	26.3%	17.2%	10,351	10,351		25
	MESAVERDE	1		No Perfs			0	Slickwater Ramp			Slickwater	0	25,329	0	603	0.0%	0.0%	0	10,351		0
	MESAVERDE	0		No Perfs			0	SW Sweep			Slickwater	16,561	41,890	394	997	26.3%	34.6%	20,701	31,052		25
	MESAVERDE	18		No Perfs			1	Slickwater Ramp			Slickwater	0	41,890	0	997	0.0%	0.0%	0	31,052		0
	MESAVERDE	2		No Perfs			0	SW Sweep			Slickwater	0	41,890	0	997	0.0%	0.0%	0	31,052		0
	MESAVERDE	1		No Perfs			0.5	Slickwater Ramp			Slickwater	16,561	58,451	394	1,392	26.3%	46.3%	28,982	60,034		0
	MESAVERDE	16		No Perfs			1.5	Slickwater Ramp			Slickwater	4,597	63,048	109	1,501				60,034		39
	MESAVERDE	2		No Perfs			50	Flush (4-1/2")					63,048								115
	MESAVERDE	0		No Perfs				ISIP and 5 min ISIP					63,048								
	MESAVERDE	0		No Perfs							Sand laden Volume		58,451					gal/h 1,205	1,238	lbs sand/h	
	MESAVERDE	0		No Perfs														CBP depth 6,010			
	MESAVERDE	0		No Perfs												</					

**State 1021-321 Recomplete
Perforation and CBP Summary**

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	8211	8226	3	45	8161	to	8161.5
	MESAVERDE		No Perfs			8211.5	to	8229
	MESAVERDE		No Perfs			8230.5	to	8232
	MESAVERDE		No Perfs			8234	to	8235
	MESAVERDE		No Perfs			8254.5	to	8254.5
	MESAVERDE		No Perfs			8255.5	to	8256
	# of Perfs/stage				45	CBP DEPTH	8,032	
2	MESAVERDE	7898	7900	4	8	7871	to	7871.5
	MESAVERDE	7958	7962	4	16	7872.5	to	7874
	MESAVERDE	7998	8002	4	16	7876.5	to	7881
	MESAVERDE		No Perfs			7884	to	7884.5
	MESAVERDE		No Perfs			7887.5	to	7889
	MESAVERDE		No Perfs			7890.5	to	7894.5
	MESAVERDE		No Perfs			7897.5	to	7910.5
	MESAVERDE		No Perfs			7917.5	to	7921
	MESAVERDE		No Perfs			7929	to	7929.5
	MESAVERDE		No Perfs			7949	to	7951.5
	MESAVERDE		No Perfs			7957.5	to	7965.5
	MESAVERDE		No Perfs			7968	to	7968.5
	MESAVERDE		No Perfs			7969.5	to	7970.5
	MESAVERDE		No Perfs			7973	to	7977.5
	MESAVERDE		No Perfs			7988	to	7990.5
	MESAVERDE		No Perfs			7992	to	7995
	MESAVERDE		No Perfs			7997.5	to	8006
	MESAVERDE		No Perfs			8007	to	8008.5
	MESAVERDE		No Perfs			8023	to	8024.5
	MESAVERDE		No Perfs			8027	to	8029
	MESAVERDE		No Perfs			8036.5	to	8037
	# of Perfs/stage				40	CBP DEPTH	7,758	
3	MESAVERDE	7624	7628	3	12	7568	to	7568
	MESAVERDE	7718	7728	3	30	7590	to	7595.5
	MESAVERDE		No Perfs			7612.5	to	7621.5
	MESAVERDE		No Perfs			7623	to	7630.5
	MESAVERDE		No Perfs			7635	to	7641
	MESAVERDE		No Perfs			7645.5	to	7645.5
	MESAVERDE		No Perfs			7682	to	7682
	MESAVERDE		No Perfs			7688	to	7689.5
	MESAVERDE		No Perfs			7691.5	to	7697.5
	MESAVERDE		No Perfs			7699.5	to	7705.5
	MESAVERDE		No Perfs			7717.5	to	7735.5
	MESAVERDE		No Perfs			7754	to	7757.5
	# of Perfs/stage				42	CBP DEPTH	7,480	
4	MESAVERDE	7368	7372	4	16	7264	to	7264
	MESAVERDE	7444	7450	4	24	7273	to	7283.5
	MESAVERDE		No Perfs			7309	to	7311
	MESAVERDE		No Perfs			7315.5	to	7317
	MESAVERDE		No Perfs			7323.5	to	7332
	MESAVERDE		No Perfs			7341.5	to	7342
	MESAVERDE		No Perfs			7346	to	7346
	MESAVERDE		No Perfs			7354	to	7355
	MESAVERDE		No Perfs			7356	to	7356
	MESAVERDE		No Perfs			7365.5	to	7382.5
	MESAVERDE		No Perfs			7386	to	7390.5
	MESAVERDE		No Perfs			7407.5	to	7407.5
	MESAVERDE		No Perfs			7414	to	7414
	MESAVERDE		No Perfs			7416.5	to	7425
	MESAVERDE		No Perfs			7441.5	to	7458
	MESAVERDE		No Perfs			7463.5	to	7464
	MESAVERDE		No Perfs			7496.5	to	7499
	MESAVERDE		No Perfs			7501.5	to	7507
	MESAVERDE		No Perfs			7515.5	to	7516.5
	MESAVERDE		No Perfs			7518.5	to	7520
	MESAVERDE		No Perfs			7523.5	to	7524
	# of Perfs/stage				40	CBP DEPTH	7,132	
5	MESAVERDE	7092	7102	4	40	7002	to	7003.5
	MESAVERDE		No Perfs			7010.5	to	7010.5
	MESAVERDE		No Perfs			7013.5	to	7022
	MESAVERDE		No Perfs			7054	to	7054.5
	MESAVERDE		No Perfs			7071.5	to	7071.5
	MESAVERDE		No Perfs			7087	to	7105
	MESAVERDE		No Perfs			7111.5	to	7113
	MESAVERDE		No Perfs			7114.5	to	7115
	MESAVERDE		No Perfs			7117.5	to	7133.5
	MESAVERDE		No Perfs			7135.5	to	7137.5
	# of Perfs/stage				40	CBP DEPTH	6,010	
6	WASATCH	5970	5980	4	40	5961	to	5979.5
	WASATCH		No Perfs			5984	to	5984
	WASATCH		No Perfs			5994	to	5994
	# of Perfs/stage				40	CBP DEPTH	5,920	
Totals					247			

		Feet	Perfs			Rate	Fluid	Initial	Final	Fluid	Volume	Cum Vol	Volume	Cum Vol	Fluid	Sand	Sand	Cum. Sand	Footage from	Scale
Stage	Zone	of Pay	Top, ft.	Bot., ft.	SPF	Holes	BPM	Type	ppg	ppg	gals	gals	BBLs	BBLs	% of frac	% of frac	lbs	lbs	CBP to Flush	gal.
1	MESAVERDE	0	8211	8226	3	45	Varied	Pump-in test			Slackwater	0	0	0						
	MESAVERDE	18	No Perfs			0	ISIP and 5 min ISIP				Slackwater	14,163	14,163	337	15.0%	0.0%	0	0		52
	MESAVERDE	2	No Perfs			0	Slackwater Pad				26,753	40,916	637	28.3%	16.7%	16,721	16,721		42	
	MESAVERDE	1	No Perfs			0	SW Sweep	0	0.25	1	Slackwater	0	40,916	0	974	0.0%	0	16,721	40	
	MESAVERDE	0	No Perfs			0	Slackwater Ramp	1	1.5	1.5	Slackwater	26,753	67,669	637	28.3%	33.4%	33,441	50,162		0
	MESAVERDE	1	No Perfs			0	SW Sweep	0	0	0	Slackwater	0	22,919	125	1,736	0.0%	0	50,162	0	
	MESAVERDE	0	No Perfs			0	Slackwater Ramp	0.5	1.5	1.5	Slackwater	3,000	75,919	71	1,808	3.0%	3,000	53,162	0	
	MESAVERDE	0	No Perfs			0	Slackwater Ramp	1.5	2	2	Slackwater	26,753	99,672	637	23.7%	46.8%	46,818	99,980		0
	MESAVERDE	0	No Perfs			0	Flush (4-1/2")				5,328	105,000	127	2,500			99,980	52		
	MESAVERDE	0	No Perfs			0	ISOP and 5 min ISOP					105,000						227		
	MESAVERDE	0	No Perfs			0					Sand laden Volume		54,422				4,496	4,761	lbs sand/t	
	MESAVERDE	21	# of Perfs/stage			45	50.0	<< Above pump time (min)							Flush depth	8161	gal/tt	CBP depth	8,032	128
2	MESAVERDE	1	7998	7990	4	6	Varied	Pump-in test			Slackwater	0	0	0						
	MESAVERDE	2	7958	7963	4	16	0	ISIP and 5 min ISIP			Slackwater	11,044	11,044	263	15.0%	0.0%	0	0		33
	MESAVERDE	5	7998	8002	4	16	0	Slackwater Pad			20,861	31,905	497	790	28.3%	16.8%	13,038	13,038		31
	MESAVERDE	1	No Perfs			0	SW Sweep	0	0	0	Slackwater	0	31,905	0	760	0.0%	0	13,038	0	
	MESAVERDE	2	No Perfs			0	Slackwater Ramp	1	1.5	1.5	Slackwater	20,861	52,766	497	1,256	28.3%	33.2%	26,076	39,114	31
	MESAVERDE	13	No Perfs			0	SW Sweep	0	0	0	Slackwater	5,250	58,016	125	1,381	0.0%	0	39,114	0	
	MESAVERDE	4	No Perfs			0	Slackwater Ramp	0.5	1.5	1.5	Slackwater	3,000	61,016	71	1,453	3.9%	3,000	42,114	0	
	MESAVERDE	1	No Perfs			0	Slackwater Ramp	1.5	2	2	Slackwater	20,861	78,877	497	1,878	28.3%	46.4%	36,507	78,621	0
	MESAVERDE	3	No Perfs			0	Flush (4-1/2")				5,123	84,000	122	2,000			78,621	50		
	MESAVERDE	8	No Perfs			0	ISOP and 5 min ISOP					84,000						146		
	MESAVERDE	1	No Perfs			0					Sand laden Volume		73,627				1,124	1,200	lbs sand/t	
	MESAVERDE	5	No Perfs			0									Flush depth	7848	gal/tt	CBP depth	7,758	90
	MESAVERDE	66	# of Perfs/stage			40	37.8	<< Above pump time (min)												
3	MESAVERDE	0	7624	7628	3	12	Varied	Pump-in test			Slackwater	0	0	0						
	MESAVERDE	8	7718	7728	3	30	0	ISIP and 5 min ISIP			Slackwater	18,949	18,949	451	15.0%	0.0%	0			



Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
DENVER, CO 80217-3779

February 13, 2009

Mr. Dustin Doucet
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: State 1021-32I
NWSW Sec. 32, T10S-R21E
API Well No. 4304739134
Uintah County, Utah

Dear Dustin,

In accordance with R649-3-22, "Completion Into Two or More Pools", please be advised that there are no contiguous owners in oil and gas leases or in drilling units overlying the pool we intend to commingle to notify. As evidenced by the enclosed plat, Kerr-McGee Oil & Gas Onshore LP is the sole working interest owner in all contiguous leasehold.

Please let me know if anything further is required in order to approve the sundry submitted to you regarding the recompletion of the State 1021-32I. I have enclosed a copy of the sundry notice.

Thank you for your attention to our request.

Sincerely,
KERR-McGEE OIL & GAS ONSHORE LP


Jason Rayburn
Landman

enclosures

RECEIVED

FEB 19 2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

AFFIDAVIT

Jason Rayburn, of lawful age, and being first duly sworn upon oath, deposes and says:

He is a Landman of Kerr-McGee Oil & Gas Onshore LP, of Denver, Colorado. Kerr-McGee Oil & Gas Onshore LP is the operator of the following described well:

**STATE 1021-32I
2208' FSL, 1231' FEL (NESE)
SECTION 32, T10S- R21E
UINTAH COUNTY, UTAH**

Kerr-McGee Oil & Gas Onshore LP the only owner in the well and/or of all the contiguous oil and gas leases or drilling units overlying the pool.

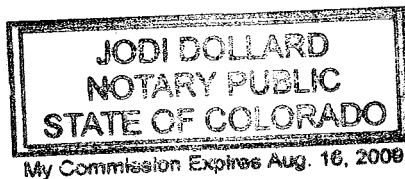
On the 13th day of February 2009, he placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling into two or more pools (formations) in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining.

Further affiant saith not.

Jason Rayburn, Affiant

Subscribed and sworn before me this 13th day of February, 2009.



Jodi Dollard
Notary Public

My Commission Expires:

Aug. 16, 2009



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: STATE 1021-32I
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2208 FSL 1231 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 32 Township: 10.0S Range: 21.0E Meridian: S		9. API NUMBER: 43047391340000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/5/2010	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> APD EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
	OTHER: DRILL OUT PLUG	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
THE SUBJECT WELL WAS RECENTLY RECOMPLETED TO THE WASATCH/MESAVERDE FORMATIONS. THE ISOLATION PLUG AT ~8300' WAS DRILLED OUT AND 2-3/8" TUBING WAS LANDED AT 8693'. THE EXISTING MESAVERDE PERFORATIONS ARE NOW COMMINGLED WITH THE NEWLY WASATCH/MESAVERDE FORMATIONS. PLEASE SEE ATTACHED CHRONOLOGICAL WELL HISTORY.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 17, 2010		
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 5/6/2010	

US ROCKIES REGION
Operation Summary Report

Well: STATE 1021-32I			Spud Conductor: 6/6/2008			Spud Date: 6/8/2008			
Project: UTAH-UINTAH			Site: STATE 1021-32I				Rig Name No: MILES-GRAY 1/1, LEED 733/733		
Event: RECOMPL/RESEREVEADD			Start Date: 3/12/2010				End Date: 3/19/2010		
Active Datum: RKB @5,322.00ft (above Mean Sea Leve			UWI: STATE 1021-32I						
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation	
3/12/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, ROADING RIG & EQUIP ON MUDDY ROADS.	
	7:30 - 15:00	7.50	COMP	30	A	P		MIRU F/ NBU 1022-3E1. SELL WELL DWN TO PRODUCTION EQUIP, SDFWE	
3/15/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, CHECKING WELL FOR H2S.	
	7:30 - 15:00	7.50	COMP	31	I	P		FCP 75 STP 75, CONTROL TBG & CSG W/ 60 BBLS 2%, ND WH NU BOPS, RIG UP FLOOR. UNLAND TBG IT WAS PARTLEY STUCK PULLED TO 50,000# IT CAME FREE. POOH S.L.M & CHECKING W/ BROACH W/ 282 JTS 23/8 J-55, L/D BTM 6 JTS W/ SCALE ON OD & ID. L/D X/N W/ BUMPER SPRING INSIDE. SWI SDFN.	
3/16/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, WORKING W/ WIRE LINE	
	7:30 - 10:00	2.50	COMP	34	I	P		SICP 200 PSI, RU CASED HOLE SOLUTIONS, RIH W/ 41/2: GAUGE RING TO 8350', POOH RIH SET BAKER 10K CBP # 8295' POOH.	
	10:00 - 11:00	1.00	COMP	33	C	P		ND BOPS, NU FRAC VA;LVES, FILL CAG W/ 80 BBLS & TEST CSG & VALVES TO 6,000# PSI, RD B&C.	
	11:00 - 15:00	4.00	COMP	34	H	P		(STG 1) RIH W/ 31/8" EXP GNS, 23 GRM, ,36 HOLES, 90 DEG PHASING & PERF 8216'-8226' 4SPF 40 HLS. POOH SWI PREP TO FRAC IN AM.	
3/17/2010	6:30 - 7:00	0.50	COMP	48		P		HSM, WORKING W/ FRAC & PERORATING CREWS.	
	7:00 - 7:50	0.83	COMP	36	E	P		MIRU SUPERIOR, PRIME UP PUMPS & LINES, PRESSURE TEST SURFACE LINES TO 7,000# PSI. (STG 1) WHP 740 PSI, BRK @ 5985 PSI, @ 4.7 BPM, ISIP 2768 PSI, FG .78. PUMPED 100 BBLS @ 48.4 BPM, @ 5262 PSI = 70% PERFS OPEN. MP 5673 PSI, MR 49.3 BPM, AP 4961 PSI, AR 43.8 BPM, ISIP 2544 PSI, FG .75. NPI -224 PSI, PMPD 819 BBLS OF SW, & 18,732 LBS 30/50 SND & 5000 LBS OF 20/40 RESIN SAND. TOTAL PROP 23,732 LBS.	
	7:50 - 9:24	1.57	COMP	36	E	P		(STG 2) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 DEG PHASING. SET CBP @ 7758' & PERF 7724'-7728' 4 SPF, 16 HLS. 7692'-7694' 4 SPF, 8 HLS. 7624'-7628' 4 SPF, 16 HLS. TOTAL 40 HOLES. WHP 1270 PSI, BRK @ 4513 PSI, @ 5 BPM, ISIP 2066 PSI, FG .71. PUMPED 100 BBLS @ 47.4 BPM, @ 4912 PSI = 62% PERFS OPEN. MP 5579 PSI, MR 50.2 BPM, AP 4851 PSI, AR 45.7 BPM, ISIP 2974 PSI, FG .83. NPI 908 PSI, PMPD 963 BBLS OF SW, & 25,264 LBS 30/50 SND & 5000 LBS OF 20/40 RESIN SAND. TOTAL PROP 30,264 LBS.	

US ROCKIES REGION
Operation Summary Report

Well: STATE 1021-32I		Spud Conductor: 6/6/2008		Spud Date: 6/8/2008	
Project: UTAH-UINTAH		Site: STATE 1021-32I			Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: RECOMPL/RESEREVEADD		Start Date: 3/12/2010		End Date: 3/19/2010	
Active Datum: RKB @5,322.00ft (above Mean Sea Leve			UWI: STATE 1021-32I		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	9:24 - 10:42	1.30	COMP	36	E	P		(STG 3) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 DEG PHASING. SET CBP @ 7536' & PERF 7504'-7506' 4 SPF 8 HLS. 7444'-7448' 4 SPF 16 HLS. 7388'-7389' 4 SPF 4 HLS. 7378'-7381' 4 SPF 12 HLS. TOTAL 40 HOLES. WHP 1235 PSI, BRK @ 5230 PSI, @ 5 BPM, ISIP 2565 PSI, FG .78. PUMPED 100 BBLS @ 49.3 BPM, @ 5300 PSI = 71% PERFS OPEN. MP 5698 PSI, MR 50. BPM, AP 5189 PSI, AR 48.3 BPM, ISIP 2818 PSI, FG .82. NPI 253 PSI, PMPD 853 BBLS OF SW, & 25,115 LBS 30/50 SND & 5000 LBS OF 20/40 RESIN SAND. TOTAL PROP 30,115 LBS.
	10:42 - 12:06	1.40	COMP	36	E	P		(STG 4) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 DEG PHASING. SET CBP @ 7154' & PERF 5968'-5978' 4 SPF 40 HLS. TOTAL 40 HOLES. WHP 920 PSI, BRK @ 2394 PSI, @ 5.3 BPM, ISIP 1995 PSI, FG .72. PUMPED 100 BBLS @ 49.5 BPM, @ 4650 PSI = 72% PERFS OPEN. MP 5225 PSI, MR 50.2 BPM, AP 4495 PSI, AR 49.4 BPM, ISIP 3173 PSI, FG .88. NPI 1178 PSI, PMPD 1084 BBLS OF SW, & 37,563 LBS 30/50 SND & 5000 LBS OF 20/40 RESIN SAND. TOTAL PROP 42,563 LBS.
	12:06 - 13:27	1.35	COMP	36	E	P		(STG 5) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 DEG PHASING. SET CBP @ 6008' & PERF 7119'-7124' 4 SPF 20HLS 7098'-7103' 4 SPF 20 HLS. TOTAL 40 HOLES. WHP 210 PSI, BRK @ 1631 PSI, @ 4.1 BPM, ISIP 1146 PSI, FG .63. PUMPED 100 BBLS @ 49.8 BPM, @ 3908 PSI = 63% PERFS OPEN. MP 5511 PSI, MR 50.2 BPM, AP 3981 PSI, AR 48.5 BPM, ISIP 2415 PSI, FG .84. NPI 2415 PSI, PMPD 996 BBLS OF SW, & 39,473 LBS 30/50 SND & 5000 LBS OF 20/40 RESIN SAND. TOTAL PROP 44,473 LBS.
	13:27 - 15:00	1.55	COMP	34	I	P		(KILL PLUG) RIH W/ 41/2" BAKER CBP & SET @ 5918' POOH.RD W/L & FRAC CREW.
	15:00 - 18:00	3.00	COMP	31	I	P		ND FRAC VALVE, NU BOPS RU FLOOR. PU RIH W/ 37/8 BIT, PUMP OPEN SLEVE, 1.875 X/N & 188 JTS 23/8 J-55. TAG KILL PLUG @ 5918', L/D 1 JT RU DRL EQUIP, EOT @ 5883' SWI SDFN.
3/18/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, WORKING W/ POWER SWIVEL & PRESSURE.

US ROCKIES REGION
Operation Summary Report

Well: STATE 1021-32I	Spud Conductor: 6/6/2008	Spud Date: 6/8/2008
Project: UTAH-UINTAH	Site: STATE 1021-32I	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: RECOMPL/RESEREVEADD	Start Date: 3/12/2010	End Date: 3/19/2010
Active Datum: RKB @5,322.00ft (above Mean Sea Leve		
UWI: STATE 1021-32I		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:30 - 15:00	7.50	COMP	44	C	P		SICP 0, BREAK CIRC CONVENTIONAL, TEST BOPS TO 3,000# PSI, RIH C/O 0' OF SAND TAG 1ST PLUG @ 5918' DRL PLG IN 8 MIN 300# PSI INCREASE RIH. C/O 30' OF SAND TAG 2ND PLUG @ 6008' DRL PLG IN 8 MIN 200# PSI INCREASE RIH. C/O 30' OF SAND TAG 3RD PLUG @ 7154' DRL PLG IN 11 MIN 200# PSI INCREASE RIH. C/O 0' OF SAND TAG 4TH PLUG @ 7536' DRL FOR 2 HRS NOT MAKING ANY HOLE, TRYED TO DRY DRILL STILL NO LUCK BIT APEARS TO BE WORN OUT. LD 2 JTS 23/8 EOT @ 7501' TURN WELL OVER TO FB CREW TO FLOW WELL OVER NIGHT, SO WE CAN TRIP BIT IN AM.
3/19/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, TRIPPING TBG.
	7:30 - 11:00	3.50	COMP	31	I	P		CSG FLOWING TO FB TNK, POOH W/ 184 JTS 23/8, CONTROL CSG W/ 10 BBLS 30# BRINE, LET PUMP TRICKLE, POOH W/ REM 56 JTS L/D BHA, ALL THREE CONES WERE GONE. PU NEW PUMP OPEN BIT SUB & 37/8 FANG MILL, RIH W/ 240 JTS 23/8
	11:00 - 17:00	6.00	COMP	44	C	P		RU SWIVEL. BREAK CIRC CONVENTIONAL. C/O 0 ' OF SAND TAG 4TH PLUG @ 7536' DRL PLUG IN 15 MIN, 300 # PSI INCREASE RIH. C/O 30 ' OF SAND TAG 5TH PLUG @ 7758' DRL PLUG IN 36 MIN, 200 # PSI INCREASE RIH. TO 8270' NOTHING TAGGED, LD 3 JTS, LAND TBG ON 260 JTS 23/8 J-55. RD FLOOR ND BOPS, DROP BALL, NU WH. PUMP OPEN BIT SUB. TURN WELL OVER TO FB CREW. RDMOL. MOVE TO STATE 1021-32L & PARKED SDFWE. KB=16' 41/16 10 K HANGER = .83' 260 JTS 23/8 J-55 = 8163.66' 1.875 X/N & PUMP OPEN BIT SUB, 37/8 FANG MILL = 4.04' EOT @ 8184.53' X/N @ 8180.49' L/D 21 JTS FROM WELL. BTM 6 W/ SCALE.
	7:00 -			33	A			TWTR 3293 BBLS 7 AM FLBK REPORT: CP 100#, TP -#, OPEN/64" CK, 15 BWPH, HEAVY SAND, - GAS TTL BBLS RECOVERED: 1712 BBLS LEFT TO RECOVER: 3363
3/20/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 950#, TP 380#, 32/64" CK, 25 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 2918 BBLS LEFT TO RECOVER: 2157
3/21/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2250#, TP 0#, OPEN/64" CK, 0 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 2943 BBLS LEFT TO RECOVER: 2132

US ROCKIES REGION
Operation Summary Report

Well: STATE 1021-32I	Spud Conductor: 6/6/2008	Spud Date: 6/8/2008
Project: UTAH-UINTAH	Site: STATE 1021-32I	Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: RECOMPL/RESEREVEADD	Start Date: 3/12/2010	End Date: 3/19/2010
Active Datum: RKB @5,322.00ft (above Mean Sea Leve		
UWI: STATE 1021-32I		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/23/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1625#, TP 860#, 20/64" CK 28 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 3351 BBLS LEFT TO RECOVER: 1724
3/24/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1200#, TP 600#, 24/64" CK 12 BWPH, LIGHT SAND, 800 GAS TTL BBLS RECOVERED: 3726 BBLS LEFT TO RECOVER: 1349
	9:00 -		PROD	50				WELL TURNED TO SALES @ 0900 HR ON 3/24/10 - 1250 MCFD, 360 BWPD, CP 1540#, FTP 750#, CK 24/64"
3/25/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1000#, TP 575#, 24/64" CK 13 BWPH, TRACE SAND, 1.1 GAS TTL BBLS RECOVERED: 4015 BBLS LEFT TO RECOVER: 1060
3/27/2010	7:00 -		PROD	50				WELL IP'D ON 3/27/10 - 1193 MCFD, 7 BOPD, 88 BWPD, CP 897#, FTP 524#, CK 25/64", LP 94#, 24 HRS
5/3/2010	7:00 -		WO/REP	30	A	P		[DAY 1] JSA MOVING RIG & EQUIPMENT. ROAD RIG FROM NBU 920-23D TO STATE 1021-32I. MIRU, SPOT EQUIPMENT. EOT @ 8184'. FTP=200#, SICP=200#. BLEW WELL DOWN. KILL TBG W/ 20 BBLS 2% KCL. NDWH, NUBOP. R/U FLOOR & TBG EQUIPMENT. UNLAND TBG. L/D HANGER. POOH STDG BACK 2-3/8" J-55 TBG. [SLM] L/D BHA. SEEN NO SCALE, (LIGHT EXTERNAL PITTING ON PIPE) KILL WELL 3X TO GET TBG OUT. P/U 3-7/8" FREE BAKER EXPERMINTAL MILL & RIH OUT OF DERRICK ON TBG. EOT @ 8290'. KILL 1X WHILE RIH. LTR=100 BBLS MIRU WTFRD FOAM UNIT. 5PM SWI-SDFN. PREP TO D/O ISOLATION PLUG IN AM.

US ROCKIES REGION
Operation Summary Report

Well: STATE 1021-32I		Spud Conductor: 6/6/2008	Spud Date: 6/8/2008
Project: UTAH-UINTAH	Site: STATE 1021-32I		Rig Name No: MILES-GRAY 1/1, LEED 733/733
Event: RECOMPL/RESEREVEADD	Start Date: 3/12/2010		End Date: 3/19/2010
Active Datum: RKB @5,322.00ft (above Mean Sea Leve		UWI: STATE 1021-32I	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/4/2010	7:00 -		WO/REP	30		P		[DAY 2] JSA FOAM UNITS & DRLG. EOT @ 8280'. SITP=200#, SICP=1000#. R/U SWVL & FOAM / NITROGEN UNIT. ESTABLISH CIRCULATION W/ 2% KCL WATER IN 45 MINUTES. C/O 15' SAND. TAG BAKER 10K CBP @ 8295'. D/O CBP IN 3 MINUTES, SETTING DN 8PTS. 50# INCREASE. FCP=150#. RIH, TAG SCALE @ 8324'. C/O 10' LIGHT SCALE. RIH, TAG SCALE @ 8847'. C/O 20' LIGHT SCALE, RIH, TAG SCALE @ 8968'. C/O 20' LIGHT SCALE. RIH, TAG SCALE 9100'. MILL PLUGGED OFF. DRY DRILL & C/O TO 9112'. B.P @ 9105'. [7'RATHOLE] R/D SWVL. POOH & L/D 9 JTS. RETREIVE STRING FLOAT. CONTINUE POOH STDG BACK TBG. L/D MILL. FOUND GREY SOFT SCALE IN MILL AND JT ABOVE MILL. L/D SCALE JT. KILL WELL 2X WHEN POOH W/ 40 BBLS TOTAL. RDMO FOAM / NITROGEN UNIT. P/U GOOD USED N.C. W/ XN & RIH OUT OF DERRICK ON 2-3/8" J-55 TBG. EOT @ 2575'. LTR= 60 BBLS. LEAVE WELL OPEN TO SALES. 5 PM SDFN 7AM [DAY 3] JSA BROATCHING TBG. FCP=250, EOT @ 2575'. BLEW WELL DN. KILL TBG W/ 20 BBLS. CONTINUE TO RIH ON 2-3/8" TBG. LAND TBG ON HANGER W/ 276 JTS J-55. EOT @ 8693.53' & XN @ 8691.33'. TBG WAS BROATCHED. R/D FLOOR & TBG EQUIPMENT. NDBOP, NUWH. RACK EQUIPMENT. RDMO TO NBU 1021-1"O". KILL 3X WHILE RIH. LEAVE WELL OPEN TO SALES. LTR= 0 BBLS
5/5/2010	7:00 - 17:00	10.00	COMP	30		P		

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
Various	NBU REVISION						UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>E</i>	<i>Various</i>	<i>2900</i>	<i>3/13/2012</i>			<i>2/1/2012</i>	
Comments: MOVE THE ATTACHED WELLS INTO THE NATURAL BUTTES UNIT REVISION EFFECTIVE 02/01/2012. <i>72 wells</i> <i>5/31/2012</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA WOPSOCK

Name (Please Print)

Signature

REGULATORY ANALYST

Title

5/30/2012

Date

RECEIVED

MAY 31 2012

Div. of Oil, Gas & Mining

Entity Action Form Attachment for wells moved into the Natural Buttes Unit Effective 02/01/2012.

API	Well Name	QTR/QTR	orig entity Section	TWNSHP	RANGE	Producing Intervals
4304737079	FEDERAL 920-25I	NESE	15431	25 9S	20E	WASATCH/MESAVERDE
4304737080	FEDERAL 920-25H	SENE	15761	25 9S	20E	WASATCH/MESAVERDE
4304737081	FEDERAL 920-25A	NENE	15553	25 9S	20E	WASATCH/MESAVERDE from MVRD
4304739098	STATE 1021-28M	SWSW	16499	28 10S	21E	WASATCH To WSMVD
4304737918	FEDERAL 1021-26L	NWSW	16390	26 10S	21E	MESAVERDE To WSMVD
4304737919	FEDERAL 1021-26N	SESW	16391	26 10S	21E	WASATCH/MESAVERDE
4304737916	FEDERAL 1021-25O	SWSE	16277	25 10S	21E	WASATCH/MESAVERDE
4304739112	STATE 1021-31M	SWSW	16454	31 10S	21E	WASATCH To WSMVD
4304739127	STATE 1021-32P	SESE	16471	32 10S	21E	WASATCH/MESAVERDE
4304739128	STATE 1021-32O	SWSE	17513	32 10S	21E	WASATCH/MESAVERDE
4304739131	STATE 1021-32L	NWSW	16902	32 10S	21E	WASATCH/MESAVERDE
4304739133	STATE 1021-32J	NWSE	17539	32 10S	21E	WASATCH/MESAVERDE
4304739134	STATE 1021-32I	NESE	16905	32 10S	21E	WSMVD
4304739135	STATE 1021-32H	SENE	17528	32 10S	21E	WASATCH/MESAVERDE
4304735714	FEDERAL 1022-29H	SENE	15147	29 10S	22E	WASATCH/MESAVERDE
4304735715	FEDERAL 1022-29F	SENW	15162	29 10S	22E	WASATCH/MESAVERDE
4304735716	FEDERAL 1022-29B	NWNE	14982	29 10S	22E	WASATCH/MESAVERDE
4304735737	FEDERAL 1022-29I	NESE	15001	29 10S	22E	WASATCH/MESAVERDE
4304735738	FEDERAL 1022-29D	NWNW	15016	29 10S	22E	MESAVERDE To WSMVD
4304734862	FEDERAL 31-10-22	SESE	13879	31 10S	22E	MESAVERDE To WSMVD
4304735173	FEDERAL 1022-31D	NWNW	14132	31 10S	22E	WASATCH/MESAVERDE
4304736492	FEDERAL 1022-31N	SESW	16255	31 10S	22E	WASATCH/MESAVERDE
4304736493	FEDERAL 1022-31I	NESE	15089	31 10S	22E	WASATCH/MESAVERDE
4304736494	FEDERAL 1022-31G	SWNE	15075	31 10S	22E	WASATCH/MESAVERDE
4304736495	FEDERAL 1022-31F	SENE	15230	31 10S	22E	WASATCH/MESAVERDE
4304736574	FEDERAL 1022-31C	NENW	15090	31 10S	22E	WASATCH/MESAVERDE
4304736575	FEDERAL 1022-31J	NWSE	15214	31 10S	22E	WASATCH/MESAVERDE
4304736576	FEDERAL 1022-31L	NWSW	16376	31 10S	22E	WASATCH/MESAVERDE
4304734317	STATE 1-32	NESW	13419	32 10S	22E	WASATCH/MESAVERDE
4304734831	STATE 2-32	SESW	13842	32 10S	22E	MESAVERDE To WSMVD
4304734832	STATE 3-32	NWSW	13844	32 10S	22E	WASATCH/MESAVERDE
4304735095	STATE 1022-32J	NWSE	14097	32 10S	22E	WSMVD
4304735096	STATE 1022-32A	NENE	13914	32 10S	22E	WASATCH/MESAVERDE
4304735186	STATE 1022-32P	SESE	14131	32 10S	22E	MESAVERDE To WSMVD
4304735315	STATE 1022-32O	SWSE	14114	32 10S	22E	WASATCH/MESAVERDE
4304735647	STATE 1022-32H	SENE	14348	32 10S	22E	MESAVERDE To WSMVD
4304736413	STATE 1021-36O	SWSE	15619	36 10S	21E	WASATCH/MESAVERDE
*4304738157 WELL BELONGS TO QEP ENERGY CORP "GH 8-20-8-21" PERMIT NOT APPROVED						
4304734839	FEDERAL 1022-15F	SENW	14618	15 10S	22E	WASATCH/MESAVERDE
4304736414	STATE 1021-36J	NWSE	15651	36 10S	21E	WASATCH/MESAVERDE
4304738152	STATE 1021-36L	NWSW	16012	36 10S	21E	WASATCH/MESAVERDE
4304735440	FEDERAL 1022-15J	NWSE	14617	15 10S	22E	WASATCH/MESAVERDE
4304736415	STATE 1021-36I	NESE	15684	36 10S	21E	WASATCH/MESAVERDE
4304738845	STATE 1021-36D	NWNW	16455	36 10S	21E	WASATCH/MESAVERDE

4304750096	FEDERAL 1022-27H	SENE	17626	27 10S	22E	WASATCH/MESAVERDE
4304736416	STATE 1021-36H	SENE	15335	36 10S	21E	WASATCH/MESAVERDE
4304738846	STATE 1021-36E	SWNW	16523	36 10S	21E	WASATCH/MESAVERDE
4304735676	FEDERAL 1022-28L	NWSW	15110	28 10S	22E	WASATCH/MESAVERDE
4304736417	STATE 1021-36G	SWNE	15297	36 10S	21E	WASATCH/MESAVERDE
4304738847	STATE 1021-36F	SENW	16394	36 10S	21E	WASATCH/MESAVERDE
4304735713	FEDERAL 1022-28N	SESW	15145	28 10S	22E	WASATCH/MESAVERDE
4304736418	STATE 1021-36B	NWNE	14953	36 10S	21E	WASATCH/MESAVERDE
4304738848	STATE 1021-36N	SESW	16359	36 10S	21E	WASATCH/MESAVERDE
4304735735	FEDERAL 1022-28O	SWSE	15285	28 10S	22E	WASATCH/MESAVERDE from MURD
4304736419	STATE 1021-36A	NENE	15035	36 10S	21E	WASATCH/MESAVERDE
4304738849	STATE 1021-36K	NESW	16084	36 10S	21E	WASATCH/MESAVERDE
4304735736	FEDERAL 1022-28M	SWSW	15286	28 10S	22E	WASATCH/MESAVERDE
4304736420	STATE 1021-36P	SESE	15372	36 10S	21E	WASATCH/MESAVERDE
4304738850	STATE 1021-36C	NENW	16396	36 10S	21E	WASATCH/MESAVERDE
4304734861	FEDERAL 29-10-22	SESE	14006	29 10S	22E	MESAVERDE TO WSMVD
4304735577	FEDERAL 1022-33O	SWSE	15080	33 10S	22E	WASATCH/MESAVERDE
4304735739	FEDERAL 1022-33E	SWNW	15193	33 10S	22E	WASATCH/MESAVERDE
4304735740	FEDERAL 1022-33M	SWSW	15373	33 10S	22E	WASATCH/MESAVERDE
4304735741	FEDERAL 1022-33L	NWSW	15511	33 10S	22E	WASATCH/MESAVERDE
4304735742	FEDERAL 1022-33G	SWNE	15404	33 10S	22E	WASATCH/MESAVERDE from MURD
4304735743	FEDERAL 1022-33C	NENW	15405	33 10S	22E	WASATCH/MESAVERDE
4304735744	FEDERAL 1022-33A	NENE	15539	33 10S	22E	WASATCH/MESAVERDE
4304737105	FEDERAL 1022-33D	NWNW	16502	33 10S	22E	WASATCH/MESAVERDE
4304737106	FEDERAL 1022-33F	SENW	16560	33 10S	22E	WASATCH/MESAVERDE from WSTC
4304737107	FEDERAL 1022-33K	NESW	16124	33 10S	22E	WASATCH/MESAVERDE
4304737109	FEDERAL 1022-33N	SESW	16126	33 10S	22E	WASATCH/MESAVERDE
4304737110	FEDERAL 1022-33B	NWNE	16561	33 10S	22E	WASATCH/MESAVERDE
4304735810	STATE 1021-36E	SWNW	14295	36 10S	21E	WASATCH/MESAVERDE